

FBIS

DAILY REPORT

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PRC HOSTS INTERNATIONAL NUCLEAR WORKSHOP

OW061300 Beijing XINHUA in English 1251 GMT 6 May 85

[Text] Beijing, May 6 (XINHUA) -- An international workshop on nuclear analytical techniques opened here today jointly sponsored by the International Atomic Energy Agency and the Chinese Government. The first of its kind to be held in China, the workshop is being attended by students from Third World countries, including Algeria, Bangladesh, Colombia, Ecuador, Egypt, Ghana, India and Iraq.

Courses on neutron activation analysis and atomic absorption spectrum will be given by nuclear specialists from China, the United States, the Federal Republic of Germany, Yugoslavia and Austria.

Before the workshop closes on May 31, the students will also be given the chance to do experiments in the laboratories of the Chinese Academy of Atomic Energy and visit the Institute of Nuclear Research in Shanghai.

INTERNATIONAL BANKING CONFERENCE OPENS IN BEIJING

Focus on China's Future

OW061658 Beijing XINHUA in English 1658 GMT 6 May 85

[Text] Beijing, May 6 (XINHUA) -- An international banking conference with title, "China Faces the Future", opened here today in the Great Hall of the People.

Over 600 bankers, entrepreneurs and government officials from 24 countries and regions in five continents are participating in the three-day conference.

The conference, the largest of its kind ever held in China, is jointly sponsored by the Bank of China and EUROMONEY, a London-based journal with a worldwide circulation. It is also backed by 10 foreign banks.

The keynote of the conference is foreign involvement in China's modernization program, according to Hou Wenzao, spokesman for the conference.

Six senior Chinese Government officials and the heads of the 10 banks are among the major speakers at the conference. They will discuss China's open policy and various rules and regulations concerning it, and on trends and development in international markets.

"We hope the speeches and panel discussions will help promote economic, trade and financial relations between China and the rest of the world", Hou said.

The number of foreign participants soared to 436 from the originally planned 250, and they include 290 top figures from 40 banks and financial institutions, and 224 large enterprises and internationally well-known personages. This is impressive evidence of China's growing role in international commerce, the organizers said.

China's contingent consists of a 150-member delegation. Among them are 20 officials at the vice-minister and vice-governor levels and 14 vice mayors from coastal cities.

Zhao Says Economy 'Excellent'

OW061607 Beijing XINHUA in English 1556 GMT 6 May 85

[Text] Beijing, May 6 (XINHUA) -- Premier Zhao Ziyang said here today that China's present economic situation is excellent. "The reason why we are shunning an excessive speed is to ensure the steady growth of our national economy in the future," he said.

He added that China's gross industrial and agricultural output value may double in the 1980-1990 period. That being the case, it will be easy for China to attain the target of quadrupling its gross industrial and agricultural output value by the end of the century.

Zhao said, from now to the next century China will wholeheartedly carry out its modernization drive, develop the economy and culture, and raise the living standards of the people. This basic policy will ensure a stable political situation, and peace and order for a long time to come. He reiterated that China will not rescind its open policy, and if there should be any change it will be a change to a wider opening to the rest of the world. Zhao made these statements when he met Chinese and foreign representatives to the "China Faces the Future" international conference now in progress in Beijing. Jointly sponsored by the Bank of China and the journal, EUROMONEY, the conference is being attended by more than 400 foreign bankers and entrepreneurs.

Zhao told the foreign guests that China is a developing country which lacks experience. At present, its investment environment is not yet ideal and its economic legislation is still being perfected. However, in the long-term view these shortcomings will be remedied, the work of which has already started.

He said, "We attach great importance to cooperation with foreign financial circles. China has rich resources and a vast market, but is short of funds. There are broad prospects for economic and technical cooperation between us."

Premier Zhao said, the Bank of China is a state bank specializing in foreign exchange dealings, and an important organization for China in foreign economic cooperation. It has the full support of the Chinese Government. "We wish to see cooperation between Chinese and foreign banks expanding daily," the premier said.

WORLD BANK OFFICIAL VIEWS ECONOMIC DEVELOPMENT

OW051031 Beijing XINHUA in English 0632 GMT 5 May 85

[Text] Beijing, May 5 (XINHUA) -- China is on the right track in pursuit of a domestic policy enabling it to promote economic development successfully over the next 20 years, a senior World Bank official said here today.

Constantine Michalopoulos, director of the Economic Policy Analysis and Coordination Department of the bank, said that he was impressed by the courageous efforts China has been making in mobilizing domestic resources, increasing productivity and efficiency, and improving the flexibility of its economy.

He told XINHUA that China is an important member of the World Bank, and the bank is always ready to discuss with the Chinese Government aspects of its economic development in which the bank can help.

Michalopoulos is in Beijing to lecture at a seminar on the bank's 1984 world development report. More than 120 officials and scholars from Chinese economic and financial circles, and from the press are attending the three-day seminar. Among other topics to be dealt with during the seminar is the world's population growth and its impact on China.

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PRC INTERNATIONAL AFFAIRS
UNITED STATES

B 1

SOVIET 'STAR WARS' REMARKS CALLED 'UNWARRANTED'

OW062018 Beijing XINHUA in English 2004 GMT 6 May 85

[Text] Washington, May 6 (XINHUA) -- The United States today called Soviet Defense Minister Sergey Sokolov's remarks on the U.S. strategic defense initiative (SDI) "unwarranted" and said they "distort the real purpose of SDI."

State Department spokesman Edward Djerejian defended the U.S. position at today's regular news briefing, stating that SDI "is a research program that seeks to determine the feasibility of new technologies to support a new and more stable basis for deterrence."

He added that "it is not a weapons deployment program as Sokolov suggests. Indeed, as a research effort, SDI does not even represent a development program."

He said that at Geneva, "we are discussing these issues with the Soviets. If a decision is ultimately made to deploy defenses, the transition to a world in which deterrence is increasingly reliant on defenses would be subject to negotiations in an effort to provide for maximum stability."

The Soviet defense minister told the Soviet news agency TASS yesterday that if the U.S. goes ahead with its space-based defense system, the Soviet Union has "no choice but to take appropriate measures in reply." He said those measures "could be...both in the sphere of defensive and offensive armaments" and will be those deemed in the Soviet Union's interests, "not those that Washington leaders would like us to take."

The State Department spokesman said that the Soviet defense minister's remark that SDI research poses "a greater hazard to peace than the atomic bomb" is "unwarranted," adding that the emphasis of the research program "is on non-nuclear technologies which threaten no one...."

On Sokolov's remark that Soviet space research has so far been limited to benign activities, the spokesman said this is "untrue and forms part of a continuing, self-serving Soviet propaganda campaign."

He said the Soviets currently possess the world's only operational A.S.A.T. interceptor and an operational A.B.M. (antiballistic missile) system.

He continued that as part of their long-standing and vigorous research program, "the Soviets have constructed two ground-based high energy test lasers with ASAT capabilities. By all measures, the Soviet space program has long been heavily oriented toward military purposes."

NEW PRC AMBASSADOR HAN XU ARRIVES IN WASHINGTON

OW040352 Beijing XINHUA in English 0256 GMT 4 May 85

[Text] Washington, May 3 (XINHUA) -- Newly-appointed Chinese Ambassador to the United States Han Xu arrived here today. He was met at the airport by James Lilly, deputy assistant secretary and other officials from the State Department.

Also at the airport were officials from the Chinese Embassy, representatives from Chinese agencies in Washington as well as Overseas Chinese and Chinese-Americans.

Before taking his new job, Han was a vice minister of the Chinese Foreign Ministry and had been the deputy chief of the Chinese Liaison Office in Washington from 1973-1979.

SUPREME COURT PRESIDENT ARRIVES IN WASHINGTON

OW061255 Beijing XINHUA in English 1127 GMT 6 May 85

[Text] Washington, May 5 (XINHUA) -- Zheng Tianxiang, president of China's Supreme People's Court, arrived here today for a friendly visit to the United States. This is the first time a top Chinese jurist is paying a visit here at the invitation of Warren Burger, chief justice of the United States Supreme Court. Burger visited China in 1981.

Zheng told Voice of America upon arrival at the airport that he came here with a desire to enhance the mutual understanding and friendship between the courts and judicial departments of the two countries. He expressed the hope that friendly exchanges between China and the United States will contribute to increased friendship between the two peoples and closer ties between the two countries in the political, economic and cultural fields. Zheng will go to New York and San Francisco after his five-day stay in Washington.

HUANG HUA CALLS ON FIRST WIFE OF EDGAR SNOW

OW070737 Beijing XINHUA in English 0703 GMT 7 May 85

[Text] New York, May 6 (XINHUA) -- Huang Hua, vice chairman of the Standing Committee of the National People's Congress of China, and Huang Ganying, vice chairman of the All-China Women Confederation, Sunday called on the first wife of the late American writer Edgar Snow, author of "Red Star Over China." They brought Helen Snow regards from her old Chinese friends, including Deng Yingchao, widow of the late Chinese Premier Zhou Enlai, and Kang Keqing, widow of the late Chairman Zhu De of the Standing Committee of the National People's Congress of China.

Helen Snow told Huang that owing to her health problems, she was unable to visit China again to see her old friends and witness the recent dramatic changes. But she said she hoped to continue her writing, and make some films about her years in China with Snow during the revolutionary period before 1949.

Helen Snow asked Huang to convey her regards to Deng Yingchao, Kang Keqing and Ding Ling, a noted Chinese woman writer, and other Chinese friends. Huang came to New York after attending the second biennial Edgar Snow symposium at Snow's birthplace in Kansas City, Missouri.

PRC, U.S. FIRM SET UP JOINT ENGINEERING COMPANY

OW061646 Beijing XINHUA in English 1637 GMT 6 May 85

[Text] Beijing, May 6 (XINHUA) -- China and the United States have agreed to set up a joint engineering company in China, it was announced here tonight. The joint venture to be named Sinokellogg Engineering Company and based in Lanzhou, capital of Gansu Province, will be a Chinese legal person. It will contract to build petrochemical plants, oil refineries, gas-processing plants, chemical fiber factories, light industrial plants, civil engineering projects and supplementary facilities in and outside China.

Signatories to the agreement are the China Petro-Chemical International Company, a subsidiary of the China National Petro-Chemical Corporation, and the M.W. Kellogg Company, a member of the Signal group of the United States. Each of the two sides will own 50 percent of the 1 million U.S. dollars of registered capital, the term of the agreement is 15 years. China has bought eight synthetic ammonia plants from Kellogg, and the setting up of the new joint venture company will mark a new stage of cooperation between the two sides, according to the Chinese side.

SOVIET WORKERS, BORDER GUARDS AT SUIFENHE SOIREE

OW021045 Beijing in Russian to the USSR 1800 GMT 1 May 85

[Text] On the eve of the 1 May holiday the people's government of Suifenhe City, a border trading center in our country's north, invited workers of the Far Eastern Railways Administration of the USSR Ministry of Railways at Suifenhe Station and Japanese guests visiting Suifenhe City to a friendship soiree organized on the occasion of 1 May.

At the soiree Soviet and Japanese guests, together with artists of Suifenhe City, staged various performances.

On 30 April, a delegation of border troops from the USSR's Grodekovo district, arrived in Suifenhe at the invitation of (Liu Enui), representative of border troops of the Suifenhe district in the PRC, and took part in activities devoted to International Labor Day, 1 May.

A representative of the Soviet side said: I hope that these holiday activities will serve the development of friendly relations between the peoples of China and the Soviet Union.

GORBACHEV, GDR'S HONECKER DISCUSS SECURITY ISSUES

OW051843 Beijing XINHUA in English 1834 GMT 5 May 85

[Text] Moscow, May 5 (XINHUA) -- Soviet leader Gorbachev and his Democratic German counterpart Erich Honecker reiterated here today that their countries resolutely opposed any notions about "the German question being unsolved", the official Soviet news agency TASS reported.

They noted that the security interests of European countries require full recognition of the political and territorial realities resulting from the Second World War and post-war developments.

Honecker arrived here last night for a visit. The two leaders exchanged views on the current international situation. They said that it was of prime importance at present to stop the arms race on earth and prevent it from spreading to outer space.

Both sides stressed that the continuing deployment of U.S. nuclear missiles in Federal Germany and Bonn's actual agreement with the U.S. strategic defence initiative, known as "star wars", directly contradict Bonn's assurances to do everything possible to prevent a new war from ever emanating from German soil.

Honecker expressed his congratulations on the 40th anniversary of victory in the Patriotic War, adding that his country will remain "a true friend and reliable ally" of the Soviet Union, and "will spare no efforts in strengthening the positions of socialism and defending peace in Europe."

HU YAOBANG MAKES 'SUCCESSFUL' VISIT TO DPRK

OW070804 Beijing XINHUA in English 0728 GMT 7 May 85

["Hu Yaobang Pays Unofficial Visit to DPRK (by Zhu Ronggen)" -- XINHUA headline]

[Text] Beijing, May 7 (XINHUA) -- Chinese party leader Hu Yaobang met and had talks with Korean party leader Kim Il-song on bilateral relations and other important matters of mutual concern in the Korean border town of Sinuiju, about 225 kilometres from Pyongyang, the capital of the Democratic People's Republic of Korea. The talks between the two leaders proceeded in a "comradely and friendly" atmosphere. They shared "identical views" on all matters discussed, Chinese sources told the reporters covering this visit.

General Secretary Hu Yaobang of the Central Committee of the Chinese Communist Party (CPC) paid a two-day unofficial visit to the DPRK from May 4 to 6 at the invitation of General Secretary Kim Il-song of the Central Committee of the Workers Party of Korea (WPK). This was Hu Yaobang's third visit to Korea in three years. He made his second visit last May in his capacity as the party general secretary. In April of 1982, he visited Korea with the Chinese leader Deng Xiaoping.

Members of Hu's entourage were Li Shuzheng, alternate member of the CPC Central Committee and deputy head of the International Liaison Department of the CPC Central Committee; Zhu Qizhen, vice-minister of foreign affairs; Xu Xin, alternate member of the CPC Central Committee and deputy chief of General Staff of the Chinese People's Liberation Army; and Zong Kewen, Chinese ambassador to Korea.

On May 5 and in the morning of May 6, Kim Il-song and Hu Yaobang held three rounds of talks which lasted for nearly nine hours and proceeded in a comradely and friendly atmosphere, the sources said.

The two sides, the sources added, held talks on ways to further develop the friendly relations between the two parties, the two countries and the two peoples. They discussed a number of important matters of mutual concern, and reached complete agreement on all questions discussed.

Also attending the talks on the Korean side were Kim Chong-il, member of the Presidium of the Political Bureau of the WPK Central Committee; O Chin-u, member of the Presidium of the Political Bureau of the WPK Central Committee and minister of the People's Armed Forces; Ho Tam, member of the Political Bureau of the WPK Central Committee and secretary of the Secretariat of the WPK Central Committee; Hyon Chun-kuk, member of the WPK Central Committee and first director of the International Affairs Department of the WPK Central Committee; and Sin In-ha, alternate member of the WPK Central Committee and Korean ambassador to China. Among those present on the Chinese side were Li Shuzheng, Zhu Qizhen, Xu Xin and Zong Kewen.

During his stay in Sinuiju, the Chinese Communist Party leader was warmly welcomed by the leaders of the Korean party and residents of the city. In the afternoon of May 4, Hu Yaobang was given a grand and rousing welcome upon his arrival in Korea's border town of Sinuiju. Kim Il-song, Kim Chong-il and O Chin-u greeted Hu Yaobang and his entourage at the Sinuiju station. Also present on the occasion were Ho Tam, Hyon Chun-kuk and Sin In-ha. Kim Pyong-yul, member of the WPK Central Committee and chief secretary of the North Pyongan party provincial committee, was also present.

When Hu Yaobang and his party appeared at the main building of the railway station they were greeted by thunderous cheers from tens of thousands of city residents gathering at the open ground. Waving flowers, many well-wishers in their holiday best, shouted rhythmically, "Welcome, welcome, Hu Yaobang!"

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PRC INTERNATIONAL AFFAIRS
NORTHEAST ASIA

Hu Yaobang and Kim Il-song rode in the same car to the newly-built Sinuiju Guest House, about twelve kilometres from the city, and had a brief meeting there.

In the evening of May 4, General Secretary Kim Il-song gave a banquet in honor of Hu Yaobang. Kim Il-song and Hu Yaobang made speeches at the banquet, wishing further growth of the militant friendship between the peoples of the two countries. General Secretary Kim Il-song expressed his belief that Hu Yaobang's visit would add a new page of far-reaching significance in the glorious history of Korea-China friendly relations.

Hu said in his speech that the Chinese Communist Party, the government and the Chinese people highly appraised and firmly support the recent important proposal for North-South parliamentary talks put forward by General Secretary Kim Il-song and the Korean Workers Party and their positive efforts to realize the national reconciliation of Korea, relax tensions on the Korean peninsula and attain the independent and peaceful reunification of Korea.

In the evening of May 5, accompanied by Kim Il-song, Hu Yaobang watched a performance at a local theater. The Korean artists presented various and colorful repertoire, with nearly half of its items being Chinese songs and dances. At noon yesterday, Kim Il-song hosted a farewell banquet in honor of Hu Yaobang.

Hu Yaobang and his party left Sinuiju for home by special train after concluding a successful visit to the DPRK. He was seen off at the railway station by Kim Il-song, Kim Chong-il, O Chin-u, Ho Tam and others. Tens of thousands of local people, braving the rain, lined a six-kilometre route from the suburbs of Sinuiju to downtown area, the railway station and straight to the Korean bank of the Aprok River bordering Korea and China.

Seeing Hu Yaobang off on May 3 and welcoming him today at the Beijing railway station were Zhao Ziyang, Xi Zhongxun, Yang Shangkun, Hu Qiaomu, Hu Qili, Qiao Shi, Hao Jianxiu, Ji Pengfei and Wu Xueqian.

CHEN GUODONG HEADS SHANGHAI DELEGATION TO DPRK

OW061235 Shanghai City Service in Mandarin 1100 GMT 5 May 85

[Text] At the invitation of the South Hamgyong Provincial WPK Committee, a six-member delegation of the Shanghai Municipal CPC Committee led by Chen Guodong, member of the CPC Central Committee and first secretary of the Shanghai Municipal CPC Committee, left Shanghai Municipality by plane on the morning of 5 May for a visit to Korea via Beijing. Members of the delegation included responsible persons of the Shanghai municipal departments concerned (Shi Qi), (Lu Guotian), and (Pei Jingzhi).

HU YAOBANG MEETS JAPANESE TRADE UNION GROUP

OW070936 Beijing XINHUA in English 0911 GMT 7 May 85

[Text] Beijing, May 7 (XINHUA) -- Chinese Communist Party General Secretary Hu Yaobang met a group of trade unionists led by Takeshi Kurokawa, chairman of the General Council of Trade Unions of Japan (GCTUJ), here this afternoon.

Hu Yaobang praised GCTUJ, the biggest trade union organization in Japan, for its contributions to China-Japan friendship over the past three decades. He also called for technical exchanges between GCTUJ members and Chinese trade union organizations. Present was Ni Zhifu, president of the All-China Federation of Trade Unions. The Japanese visitors, arriving here on May 4, are scheduled to leave on a tour of southern China tomorrow.

Ni Zhifu Meets Group

OW041512 Beijing XINHUA in English 1501 GMT 4 May 85

[Text] Beijing, May 4 (XINHUA) -- Ni Zhifu, president of the All-China Federation of Trade Unions, met with a delegation from the General Counsel of Trade Unions of Japan headed by its chairman Takeshi Kurokawa here this evening at the Great Hall of the People.

During the meeting, Ni expressed his satisfaction over the progress of cooperation and friendly relations between trade unions of the two countries. Both sides hoped to further develop such relations. The delegation arrived here this afternoon at the invitation of the All-China Federation of Trade Unions.

HU QILI MEETS JAPANESE DELEGATION FROM KOBE

OW060858 Beijing XINHUA in English 0842 GMT 6 May 85

[Text] Beijing, May 6 (XINHUA) -- Hu Qili, Secretariat member of the Chinese Communist Party Central Committee, met a delegation from Kobe in Japan led by Tatuo Miyazaki here today. Miyazaki has visited China five times. At his proposal, Kobe and Tianjin in 1973 became the first Japanese and Chinese cities to establish friendship ties.

Hu praised Miyazaki's efforts in promoting Sino-Japanese friendship and cooperation between Kobe and Tianjin. Miyazaki said that the Japanese people wished to develop friendship with China and that freight transport volume between Kobe and China had increased three-fold since it established ties with Tianjin.

Hu hosted a luncheon for the delegation after the meeting. The delegation came to China on May 3 at the invitation of Tianjin Mayor Li Ruihuan.

WANG ZHEN AT BEIJING PRC-JAPAN FRIENDSHIP RALLY

OW061604 Beijing XINHUA in English 1457 GMT 6 May 85

[Text] Beijing, May 6 (XINHUA) -- China needs a peaceful international environment for its socialist construction, and it hopes to see no war in the rest of this century or next century, a veteran Communist Party leader said here today.

"Let there be no war forever," declared Wang Zhen, member of the Communist Party Political Bureau and honorary president of the China-Japan Friendship Association, at a friendship and peace rally held in the International Club. The meeting was attended by some 300 members of a Japanese delegation "the ship of Asian peace," and 200 Chinese representing various circles of Beijing.

Wang Zhen said Chinese and Japanese people had shared the bitter experience of war, and it was the common wish of the two peoples to oppose war and seek peace. China was willing to join the Japanese as well as the people in other parts of the world in striving for the aim of banning and ultimately eliminating nuclear weapons, he added.

On behalf of the six organizations hosting the event, Luo Gan, vice president of the All-China Federation of Trade Unions, spoke at the rally. A long-term friendship and cultural and economic exchanges between the Chinese and Japanese peoples were important to the prosperity and development of the two countries, he said. They were also conducive to the stability and peace in Asia as well as the world.

In his statement, Tokuma Utsunomiya, president of the Japan-China Friendship Association said the Sino-Japanese friendship based on genuine equality and mutual benefit was not only a support to the Asian peace but also to the world peace. He said he hoped the younger generation of the two countries would carry on the tradition of Sino-Japanese friendship.

Makoto Oda, a representative of the visiting Japanese delegation also spoke at the rally. Xia Yan, president of the China-Japan Friendship Association presided over today's meeting.

The Japanese delegation arrived here today after visiting the Soviet Union and the Democratic People's Republic of Korea. It aims to promote mutual understanding and friendship with Japan's neighboring countries and maintain peace. The Japanese visitors are scheduled to leave for home on May 8.

LI PENG MEETS JAPANESE INDUSTRIALISTS 3 MAY

OW031608 Beijing XINHUA in English 1452 GMT 3 May 85

[Text] Beijing, May 3 (XINHUA) -- Chinese Vice-Premier Li Peng met Masao Kanamori, chairman of the Board of Directors of the Japanese Mitsubishi Heavy Industries Ltd., and his party here this afternoon.

Li said he hoped to see further expansion of trade and exchanges with the Japanese firm.

Kanamori and his party are here to attend the opening ceremony of the Beijing office of the Mitsubishi Heavy Industries Ltd.

CONSULATES OPENED IN NAGASAKI, FUKUOKA

OW041914 Beijing XINHUA in English 1644 GMT 4 May 85

[Text] Tokyo, May 4 (XINHUA) -- Consulates for the People's Republic of China were officially opened this morning in the two Japanese cities of Nagasaki and Fukuoka. The opening ceremonies were held separately in their provisional offices of Nagasaki's Tokyu Hotel and Fukuoka's Newotani Restaurant and opening receptions are scheduled for May 14 in the two consulates.

Speaking at the ceremonies, both Consular General Wang Zhenyu of Nagasaki and Consular General Jin Jisong of Fukuoka thanked all the Japanese involved, as well as Chinese residents, for their support in the construction of the two consulates.

The governor and mayor of Nagasaki, the vice-governor and vice-mayor of Fukuoka, and the chairmen of the two cities' associations of Chinese residents, attended the ceremonies and expressed their congratulations on the opening of the two consulates. China and Japan decided on establishment of the consulates in November 1983 when General Secretary Hu Yaobang visited Japan.

PENG ZHEN, BURMA'S NE WIN HAIL FRIENDLY TIES

OW061205 Beijing XINHUA in English 1152 GMT 6 May 85

[Text] Beijing, May 6 (XINHUA) -- Two top leaders of China and Burma today joined in hailing the Five Principles of Peaceful Coexistence these two countries had initiated 30 years ago.

Peng Zhen, chairman of the National People's Congress Standing Committee, and U Ne Win, chairman of the Burma Socialist Program Party, made the point at an hour-long meeting in the Great Hall of the People.

They attributed the friendly and good-neighborly relations of the two countries of the guidance of the five principles.

Peng Zhen said that these principles reflected the interests and wishes of China and Burma and served the common interests of other Third World countries and all peace-loving nations in the world.

He said he believed that these principles would achieve an even greater success in the future.

Ne Win said that the principles provided a foundation on which all countries could foster good relations.

Deng Yingchao Fetes Ne Win

OW061513 Beijing XINHUA in English 1439 GMT 6 May 85

[Text] Beijing, May 6 (XINHUA) -- Deng Yingchao, chairman of the National Committee of the Chinese People's Political Consultative Conference, gave a luncheon for U Ne Win, chairman of the Burma Socialist Program Party, and his wife at the Qianmen Roast Duck Restaurant here today.

Prior to the luncheon, U Ne Win told Deng that he had had a meal with the late Premier Zhou Enlai at the Sama Restaurant during his visit to China in January 1960, when they decided to sign a Burma-China friendship and nonaggression treaty, and a boundary agreement.

Deng Yingchao said it was a major event of great significance in the history of friendly relations between the two countries.

QIAN LIREN HOSTS NEW ZEALAND PARTY DELEGATION

OW061723 Beijing XINHUA in English 1659 GMT 6 May 85

[Text] Beijing, May 6 (XINHUA) -- Qian Liren, head of the International Liaison Department of the Chinese Communist Party Central Committee, gave a banquet here for a delegation from the New Zealand Labor Party.

Led by the party's president, Margaret Wilson, the delegation, which arrived here yesterday, is the first official one to be sent to China by the party. This morning, Qian held the first round of talks with the delegation.

In his toast at the banquet, Qian said the talks demonstrated that the two sides had identical or similar views on a wide range of international issues, focussing on safeguarding world peace and promoting the cause of progress for mankind. They will continue their talks tomorrow.

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PRC INTERNATIONAL AFFAIRS
SOUTHEAST ASIA & PACIFIC

CHEN MUHUA, JI PENGFEI MEET HONG KONG BUSINESSMAN

OW061106 Beijing XINHUA in English 1049 GMT 6 May 85

[Text] Beijing, May 6 (XINHUA) -- State Councillors Chen Muhua and Ji Pengfei met Fung King Hey, chairman of the Sun Hung Kai Ltd. of Hong Kong, and his party on separate occasions here this afternoon. Chen is concurrently president of the People's Bank of China and Ji is in charge of the State Council's Office of Hong Kong and Macao Affairs.

HONG KONG GOVERNOR FETED AT NANJING BANQUET

OW032002 Beijing XINHUA in English 1849 GMT 3 May 85

[Text] Nanjing, May 3 (XINHUA) -- Governor of Hong Kong Sir Edward Youde, his wife and their party were guests of honor at a banquet given by Xu Jiatun, director of the Hong Kong branch of the XINHUA NEWS AGENCY, in Nanjing this evening.

Sir Edward Youde and his party arrived here yesterday on a six-day visit to Jiangsu Province as guests of Xu Jiatun who was the former first secretary of the Chinese Communist Party Committee of the province.

In their toasts, both Xu and the governor wished to further strengthen the friendly relations between the Chinese and British peoples.

This morning, the visitors called on the provincial people's government. Sir Edward Youde told reporters there that he was interested in the prospects of trade, economic relations and cooperation between Jiangsu and Hong Kong.

Present at the banquet were the provincial C.P.C. Committee's Secretary Han Peixin, Governor of Jiangsu Province Gu Xiulian and Vice Governor Chen Huanyou. The governor and his party also visited the Nanjing Teachers University and the Mochou Lake park today.

BANGLADESH ARMY DELEGATION ARRIVES FOR PRC TOUR

Hosted by He Qizong

OW041830 Beijing XINHUA in English 1615 GMT 4 May 85

[Text] Beijing, May 4 (XINHUA) -- He Qizong, deputy chief of General Staff of the Chinese People's Liberation Army, hosted a dinner here tonight for a Bangladesh Army delegation led by Major General M. Abdus Samad, chief of General Staff of the Bangladesh Army.

He expressed satisfaction with the development of friendly cooperation between Armed Forces of the two countries.

He said that China would continue its support to the just cause of Bangladesh in safeguarding national independence and state sovereignty, and developing the country.

Samad expressed the hope that the visit by his delegation would contribute to the friendship between the two countries and Armies.

The delegation arrived here earlier today for a friendship visit at the invitation of the Chinese Ministry of National Defense.

Meets Yang Dezhi

OW051449 Beijing XINHUA in English 1431 GMT 5 May 85

[Text] Beijing, May 5 (XINHUA) -- Yang Dezhi, chief of General Staff of the Chinese People's Liberation Army, met with a Bangladesh Army delegation led by Major General Muhammad Abdus Samad, chief of General Staff of the Army, here this evening. Yang expressed the belief that the delegation's current visit to China would further enhance the friendly relations between the two countries, the two peoples and the two Armies.

The meeting was followed by a dinner hosted by Yang in honor of Samad and his party.

Present were A.H. Mahmood Ali and Brigadier Zahed Latif, charge d'affaires ad interim and military attache of the Bangladesh Embassy here.

Liu Huaqing, Navy commander of the PLA, met with Samad and his party here this afternoon.

Samad Hosts Return Banquet

OW061701 Beijing XINHUA in English 1649 GMT 6 May 85

[Text] Beijing, May 6 (XINHUA) -- Major General Muhammad Abdus Samad, leader of the Bangladesh Army delegation and chief of General Staff of the Army, gave a return banquet here tonight.

Among those present were He Qizong, deputy chief of General Staff of the Chinese People's Liberation Army, and senior officers of other departments concerned.

Earlier today, Zhang Tingfa, commander of the PLA Air Force, met Samad and his party at the Great Hall of the People.

The Bangladesh visitors are scheduled to leave here tomorrow to tour other parts of China, including Zhengzhou, Nanjing, Guangzhou and Shenzhen.

PENG ZHEN, ZHAO ZIYANG SEND GREETINGS TO EEC, EP

OWO61245 Beijing XINHUA^ Domestic Service in Chinese 0126 GMT 6 May 85

[Text] Beijing, 6 May (XINHUA) -- Peng Zhen and Zhao Ziyang separately sent cables to leaders of the European Parliament [EP] and the European Economic Community [EEC] on 6 May, warmly greeting the 10th anniversary of the establishment of diplomatic relations with the EP and the EEC.

NPC Standing Committee Chairman Peng Zhen, in his cable to EP Speaker Pierre Pflimlin, said: "In recent years, with the development of relations between China and the EEC in various fields, the friendly contacts between the NPC of the PRC and the EP have been increasing with each passing day. We appreciate very much the positive efforts made by the EP in strengthening relations between the EEC and China."

The cable wished the EP success in continuously scoring new achievements in promoting the unity of Western Europe. Zhao Ziyang, premier of the State Council, in his cable to EEC Council Chairman Giulio Andreotti and EEC Committee Chairman Jacques Delors; said: "The establishment of diplomatic relations between China and the EEC was an important event in the relations between China and the West European countries. It has opened broader prospects for friendly cooperation between China and the West European countries. In the past 10 years, there have been obvious developments in political, economic, trade, scientific, technological, and other relations between our two sides. This is not only in conformity with the common interest of the people of China and the various countries in the EEC but it is also conducive to world peace and stability."

WU XUEQIAN, SAN MARINO MINISTER HOLD TALKS

OWO61643 Beijing XINHUA in English 1622 GMT 6 May 85

[Text] Beijing, May 6 (XINHUA) -- Chinese Foreign Minister Wu Xueqian expressed satisfaction here today with the development of the Sino-San Marinese relations since the two countries established diplomatic relations 14 years ago.

Wu, who is also a state councillor, said this during his talks with Giordano Bruno Reffi, secretary of state for foreign affairs of San Marino, here this morning.

Reffi said that the San Marinese people fully supported their country's friendly relations with China. San Marino established diplomatic relations with China in 1971 mainly because China respected the traditions of other countries and peoples. China enjoyed high prestige in the world, he said.

On European situation, Wu said, China welcomed the resumption of the U.S.-Soviet talks on arms control.

The Chinese people were determined to work together with the European people and other countries and peoples to exercise influence over the United States and the Soviet Union and force them to reach agreement on drastically reducing nuclear arms, he said.

He emphasized that if the whole of Europe got united, it would play a more important role in opposing nuclear arms race and safeguarding world peace.

The two ministers also exchanged views on other international issues of common concern.

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PRC INTERNATIONAL AFFAIRS
WESTERN EUROPE

They signed an agreement on mutual exemption of visas, the first of its kind between the governments of China and a West European country, here this afternoon.

Wu hosted a dinner for Reffi and his wife here this evening. Secretary of State for Industry and Handicrafts of San Marino Antonio Carattoni, who accompanied Reffi on his visit to China, was present on these occasions.

HIGHWAY, SHIPPING AGREEMENT SIGNED WITH FRANCE

OWO41224 Beijing XINHUA in English 1152 GMT 4 May 85

[Text] Beijing, May 4 (XINHUA) -- China and France signed two agreements on cooperation in highways and inland water shipping here this afternoon. Chinese Minister of Communications Qian Yongchang and French Minister of Urbanism, Housing and Transport Paul Quiles signed the documents.

The highway agreement provides that the two sides will cooperate in feasibility studies of highway and expressway projects. The scope covers designing, construction, work site management, maintenance of road surface and facilities.

Establishment and use of information and computer centers for highway designing, safety control and information processing are also subjects included. Under the inland shipping agreement, the two countries will cooperate in the management of water ways and shiplocks and the construction and management of river ports.

Other subjects for cooperation include navigation and telecommunications, study, designing and building of river boats, management and maintenance of fleets, and safety control for inland river shipping. French Ambassador to China Charles Malo was present at the signing ceremony.

Li Peng, Quiles Meet

OWO61635 Beijing XINHUA in English 1442 GMT 6 May 85

[Text] Beijing, May 6 (XINHUA) -- Chinese Vice-Premier Li Peng said here today that China had decided to buy 150 electric locomotives from France. Li said this during a meeting with a French delegation led by Paul Quiles, minister of city planning, housing and transport, here this afternoon.

He noted that China and France had carried out a variety of exchanges and cooperation in the areas of communications, transportation and city planning.

Quiles said his country desired continued cooperation with China over a long term.

Li said China was now taking measures to solve existing problems in urban communications and city planning, for which there exists great potential for Sino-French cooperation.

WAN LI MEETS IRAQI IRRIGATION MINISTER 5 MAY

OWO51327 Beijing XINHUA in English 1255 GMT 5 May 85

[Text] Beijing, May 5 (XINHUA) -- Chinese Vice-Premier Wan Li met 'Abdallah al-Wahhab Mahmud, minister of irrigation of Iraq, and his party here this afternoon. The Iraqi minister arrived here yesterday as a guest of the Chinese Ministry of Urban and Rural Construction and Environmental Protection. He will discuss with his Chinese colleagues matters related to China's contracting for engineering projects in Iraq and developing cooperation between the two countries in other fields. Present on the occasion was Rui Xingwen, minister of urban and rural construction and environmental protection.

XI ZHONGXUN, QIAN LIREN MEET TANZANIAN DELEGATION

OWO61920 Beijing XINHUA in English 1901 GMT 6 May 85

[Text] Beijing, May 6 (XINHUA) -- Xi Zhongxun, member of the Political Bureau of the Chinese Communist Party Central Committee, gave a banquet for a delegation from the Tanzanian Revolutionary Party led by its General Secretary Rashid M. Kawawa here this evening.

In his speech, Xi, also a member of the Secretariat of the CPC Central Committee, spoke highly of the unremitting efforts and gratifying achievements the Tanzanian people have made in safeguarding national independence and state sovereignty under the leadership of President Nyerere and the Revolutionary Party. He also appreciated Tanzania's contributions to safeguarding world peace and the cause of progress.

Xi noted that over the past 20 years Sino-Tanzanian friendship has been strengthened. The rapid growth of friendly relations, especially since the two parties established official ties in 1978, shows that the friendship between the two parties, the two countries and the two peoples are on a firm foundation.

Kawawa said the Tanzanian Revolutionary Party attaches great importance to developing its relations with the Chinese Communist Party. "The fraternal relations between our two parties demonstrates that we fully understand each other," he said. Kawawa said the important way for consolidating the political and economic independence of the young Third World countries was to develop cooperation among them. He said he was sure that his delegation's visit to China would further enhance friendship and cooperation between the two parties and the two countries. Tanzanian Ambassador to China Clement George Kahama was among the guests.

This afternoon Qian Liren, head of the CPC Central Committee's International Liaison Department, held talks with the delegation on the development of friendly ties between the two parties. Kawawa and his party arrived here this morning as guests of the CPC Central Committee.

ZHENG TUOBIN SIGNS LOAN AGREEMENT WITH BURUNDI

OWO61858 Beijing XINHUA in English 1843 GMT 6 May 85

[Text] Beijing, May 6 (XINHUA) -- Liao Hansheng, vice-chairman of the Chinese National People's Congress Standing Committee, met with a government delegation from Burundi led by Stanislas Mandi, minister of the Presidency for National Assembly Affairs, here this afternoon. The delegation has come here to attend the third meeting of the joint committee for economic and technical cooperation and trade between China and Burundi. After the meeting, Zheng Tuobin, minister of foreign economic relations and trade, and Minister Stanislas signed an agreement that China would provide Burundi with loans.

ASSOCIATION MEMBER REMARKS ON U.S. EMBARGO

OW061945 Beijing XINHUA in English 1926 GMT 6 May 85

[Text] Beijing, May 6 (XINHUA) -- A leading member of the Association for International Understanding of China today made remarks in connection with the U.S. announcement of May 1 about imposing a total trade embargo on Nicaragua abrogating the U.S.-Nicaragua friendship treaty.

He said the U.S. attempt to bring pressure upon Nicaragua, a sovereign state, through means of trade ban and suspension of airline service would only result in worsening the situation in Central America.

"We hope that the U.S. would cease this action and settle its dispute with Nicaragua through peaceful negotiations on the basis of equality and the efforts of the Contadora Group to ease tension in Central America would be respected."

ECUADORAN FOREIGN MINISTER LEAVES FOR UK, PRC

OW060945 Beijing XINHUA in English 0731 GMT 6 May 85

[Text] Quito, May 5 (XINHUA) -- Ecuadoran Minister of Foreign Affairs Edgar Teran left here today on visits to Great Britain, China and South Korea.

At the invitation of Chinese Foreign Minister Wu Xueqian, Teran will arrive in Beijing on May 16. It is believed that his visit will help strengthen the economic cooperation and friendship between China and Ecuador.

The Chinese Ambassador to Ecuador Pan Wenjie saw Teran off at the airport.

ARGENTINE DELEGATION HEAD SEEKS STRONGER TIES

OW031323 Beijing XINHUA in English 1254 GMT 3 May 85

[Text] Buenos Aires, May 2 (XINHUA) -- The president of Argentina's Chamber of Deputies, Juan Carlos Pugliese, today said the aim of his upcoming China visit was to "strengthen ties with the important nation of China and the Chinese National People's Congress."

Official visits between China and Argentina are on the increase, and the prospect for improved relations has been broadened since Argentina resumed its democratic system, Pugliese said.

Speaking at the Buenos Aires International Airport prior to his departure for China, he expressed hope that the exchanges will continue. During the visit, Pugliese said, he will convey to Chinese President Li Xiannian the regards of Argentinean President Raul Alfonsin.

RESTRICTIONS ON MILITARY TECHNOLOGY TO EASE

HK070604 Beijing ZHONGGUO XINWEN SHE in Chinese 0325 GMT 7 May 85

["China Is Formulating Measures To Revoke the Confidentiality of Military Industrial Technology" -- ZHONGGUO XINWEN SHE headline]

[Text] Beijing, 7 May (ZHONGGUO XINWEN SHE) -- China is formulating measures to revoke the confidentiality of military industrial technology and liberate the technology from its frozen state, so as to make the technological achievements in this field promptly become the means of large-scale commodity production. According to today's JINGJI KAOCHA [ECONOMIC OBSERVATION], the current major task of the military industrial system is to promote technology transfer. The system must publicize, develop, revoke the confidentiality of, and study a number of technological achievements in military industry. In addition, the system must periodically hold meetings to promote business deals and negotiations. At the same time, the system must expand the economic and technological cooperative relations between itself and local areas, so that the technology transfer from military industry will be integrated with the key cities and with local economies.

In 1984, the military's industrial system transferred more than 8,000 technological items to civilian use. The business volume totaled 430 million yuan. Furthermore, the first trade meeting on the transfer of military industrial technology, which was held in March of this year, had a total business volume of 1,120 million yuan and involved more than 7,300 technological items.

China's military industry has strong forces and advanced technology, and groups together a large number of high and middle-level scientific personnel. However, since we stressed confidentiality in the past, many scientific achievements have been left unused for a long time. China has now begun to regard military industrial technology as a commodity, and is transferring much of it to civilian use. This will therefore play a role in promoting China's economic construction.

JOINT CIRCULAR URGES SUGGESTIONS, INNOVATIONS

OW031255 Beijing XINHUA Domestic Service in Chinese 0813 GMT 1 May 85

[Text] Beijing, 1 May (XINHUA) -- A joint circular was issued today by the All-China Federation of Trade Unions, the State Economic Commission, the State Scientific and Technological Commission, and the CYL Central Committee concerning the proposal made by representatives of workers and staff who were awarded "1 May Labor Medals" calling for the launching of popular activities for making reasonable suggestions and technological innovations. Addressed to trade union federations, economic commissions, scientific and technological commissions, and CYL committees of the various provinces, municipalities directly under the State Council, and autonomous regions, the circular stressed that the proposal deserves support because it reflects the strong will and spirit of Chinese workers and staff as masters of the country to seek ways and means to promote the four modernizations drive. The four units called on all localities to arouse and organize their workers and staff to act in response to the proposal. The joint circular lists the following three specific points:

1. Strengthen leadership over the mass activities for making reasonable suggestions and technological innovations. Include the development of these activities as an important item on the agenda and carry out the activities in combination with the efforts to arouse the initiative of workers and staff and to constantly improve the quality of enterprises. Make sure that the activities yield results.

At the same time, it is necessary to do a good job in propaganda and ideological work, thus enabling workers and staff to have a correct understanding and overcome obstructions, so that the activities for making reasonable suggestions and technological innovations will develop on a sound basis. The various trades and professions and the various mass organizations may carry out these activities creatively, in various ways, by acting in accordance with their respective special characteristics, as long as they meet the general requirements for such activities.

2. Pay attention to the handling and implementation of the reasonable suggestions and technological innovations. Arouse workers and staff to target their activities for making reasonable suggestions and technological innovations at the various links in production, management, and operations -- such as information, policy, designing, and development before production; technical and technological improvement during production; and sales and services after production. At present, attention should be focused particularly on what can be done to improve the quality of products and lower the consumption of energy and raw materials. Consolidate and exploit the results gained in the activities for making reasonable suggestions and technological innovations and turn them as soon as possible into a new productive force to gain still more notable economic results.

3. Conscientiously implement the "regulations for encouraging and rewarding reasonable suggestions and technological innovations" promulgated by the State Council. Follow the provisions in the "regulations" by awarding those suggestions and innovations that have proved to be really capable of yielding economic results. Encouragement should be given to anyone who makes a reasonable suggestion, whether the suggestion will be adopted or not.

CPC TO PUBLISH ANNOTATED BOOK ON PARTY DOCUMENTS

OW050822 Beijing XINHUA Domestic Service in Chinese 0748 GMT 3 May 85

[Text] Beijing, 3 May (XINHUA) -- The party literature research center of the CPC Central Committee has finished compiling "The Annotated Edition of the Resolution on Certain Issues in the History of Our Party Since the Founding of the People's Republic of China." The book will soon be published by the People's Publishing House and distributed by Xinhua bookstores throughout the country.

The book has 130 annotations and more than 400,000 characters. From historical and theoretical angles, the book makes a relatively accurate and systematic description, analysis, and explanation of the important theses in "The Resolution on Certain Issues in the History of Our Party Since the Founding of the People's Republic of China" by relying on an abundance of economic statistics as well as reliable materials from literary archives and by relying on the results of theoretical research.

To meet the study requirements of the cadres and the masses in the course of second stage party rectification, the Party Literature Research Center has also compiled the annotations concerning "the Great Cultural Revolution" into a booklet, "The Total Negation of 'the Great Cultural Revolution' -- Selections From the Annotated Edition of the Resolution on Certain Issues in the History of our Party Since the Founding of the People's Republic of China." The booklet will be published and distributed by the People's Publishing House.

RENMIN RIBAO ON ORGANIZING ENTERPRISE GROUPS

HK030923 Beijing RENMIN RIBAO in Chinese 29 Apr 85 p 5

[Article by Wang Yinghuai: "Organize Enterprise Groups, Develop Lateral Ties"]

[Text] In 1984, a new breakthrough in regrouping industrial combinations arose in the comprehensive reform of economic structure in Changzhou City, whereby a new form for the rational organization of enterprises' productive forces was found. This new form is that centering round the famous (brand) and high (quality) new products and depending on key factories, enterprises form multilevel and multiform enterprise groups integrating urban and rural factors on a voluntary, mutually beneficial, and free-to-join basis.

Enterprise groups emerging in Changzhou in large numbers are a synthetical result of the factors of structural reform, industrial reorganization, and enterprise transformation under the conditions of market competition.

First, Changzhou has the production experience of "coordinated process of production" and the basis for regrouping industrial combinations.

The enterprise group is the continuation of the "coordinated process of production" but is also quite different from the "coordinated process of production." 1) The "coordinated process of production" is a kind of early stage combination; it is organized mainly by administrative means of departments responsible for the work to "sort out problems" from the higher levels to the grass roots, and the contradictions between main engine factories and accessory factories are brought into line by administrative means of higher administrative organizations. But enterprise groups are organized by every enterprise concerned in the light of the objective needs of the development of productive forces and the lateral ties of economic activities and according to the following principles: Namely, it is voluntary and mutually beneficial, from bottom to top, and free to join; the ownership, subordinate relationships and channels for financial control of every enterprise within an enterprise group still remain unchanged; and in the aspects of production, sales, technology, quality standards, and economic interests, they carry out close combination and display the two initiatives. Relying on economic contracts to link them together, they have unified plans and management and also decentralized administration and independent accounting; therefore, they are integrated bodies which are loose organizationally but close economically. 2) The leading administrative structure of the "coordinated process of production" still remains in the conventional mode of government and enterprises being one. While the "organizations run by the coordinated process of production" are loosely coordinated organizations affiliated with administrative economic management organizations, the enterprise groups are purely economic organizations; and the relationship between general factories and branch factories or among fixed coordinated factories is not a relationship between superiors and inferiors, but rather an equal partnership and multilevel economic relationship. 3) The "coordinated process of production" is restricted by administrative divisions, and enterprises within "the coordinated process of production" are mainly confined to industrial enterprises in cities and suburban areas; while the enterprise groups independently and selectively develop lateral ties in the light of their own needs of economic development, organically integrate urban industry with township and town enterprises, and local industry with enterprises in other localities, thoroughly break through the blockade between town and country and barriers and fetters between departments and regions at different levels and carry out trans-regional multilevel, and multi-directional lateral and voluntary combination to use urban areas to lead rural areas and rural areas to promote urban areas and jointly develop urban and rural economies.

Second, cities leading the structural reform of counties lays a very good foundation for the formation of enterprise groups. Since 1983, with the cities leading the reform and readjustment of the administrative management structure of counties, in order to explore the ways of using the city as a center and townships and towns as links to organize production and circulation, bring along surrounding rural areas and establish small open-type economic zones, we have centered round the planned objectives of the networks of industry, circulation, technology, transportation, posts and telecommunications, and finance and credit, which were gradually formed, to carry out the reinstating management of "not changing ownership subordinate relationships and channel for financial control of every enterprise within an enterprise group" over 256 enterprises run by county governments or jointly run by county and township governments, and on this basis, to extensively carry out the "pairing" activities among city, county, township and village enterprises in the light of their individual trade. Industrial companies run by the city government established special organizations to conduct trade guidance of more than 4,000 county, township, and town industrial enterprises. By supporting in tasks, assisting in technology, mutually assisting in material, jointly operating in sales, and promoting in management, all these provided the key enterprises producing the famous-brand, high-quality, and new products with broad choices in their search for the best "matches" with which to pair.

Third, the implementation and enforcement of the regulations concerning the expansion of enterprises' decision-making powers have structurally created the external conditions for severing the ropes binding enterprises and developing enterprise groups.

By implementing the 10 regulations of the State Council concerning the expansion of enterprises' decision-making powers, enterprises in Changzhou have acquired decision-making powers of crucial importance: 1) Enterprises have the power to choose the orientation for their products according to marketing and organizational needs and the power to product products going beyond their trades. 2) Enterprises have the power to choose the best locations, the best ways of proliferation, and the best partners and equipment. 3) Enterprises have the power to organize or join integrated bodies in other departments and regions, and an enterprise can concurrently join multilateral and multiform integrated bodies. 4) Enterprises have the power to appropriate production development funds for investment in other areas. In the past, enterprises were tied up by these four ropes and could not move, while all the powers were in the hands of companies responsible for the work or composite departments of the city government. At present, enterprises can employ their capability to the full on the great stage of marketing competition and independently look for their best partners.

Fourth, the emergence and development of enterprise groups have suited the needs of the economic development of the central city, suited the needs of the productive force development of the key enterprises producing famous-brand, high-quality, and new products and suited the needs of the development of rural commodity production.

After getting a firm foothold, the key enterprises producing famous-brand, high-quality, and new products will speedily expand their production capability and enlarge the marketing coverage of their key products as soon as possible. However, because the conditions for enterprises' expanded reproduction by extension are restricted by policies of the state, strength of the enterprises, and plans of the city and their capability for expanded reproduction by contraction also has a certain limit, the development of productive forces requires them to find a suitable new mode.

The development of the rural commodity economy requires the change of the rural production structure. With the readjustment of the structures of agriculture, sideline production, industry, communications, building industry, transportation, and other trades in rural areas, through the effort over several years, the township and town enterprises have developed a batch of enterprises which are small but specialized, small but new, small but proficient, and small but linked. However, in their further development, the township and town enterprises are also restricted by product, technology, management, talented people, and other conditions. In marketing competition, these enterprises have more and more realized that they must effect rational reorganization among enterprises according to the inherent law of the commodity economy and choose and rely on the key enterprises in the same trade producing famous-brand, high-quality and new products to enhance their own competitive ability in an effort to realize their own speedy development. The needs of both the urban and rural areas are the hotbed for the development of enterprise groups. Urban areas have the advantages of product, technology, management, information, and others, while rural areas have the advantages of workshops, land, labor force, and capital, thus the advantages of one side being exactly the supplement to the disadvantages of the other side. Therefore, by making up the other side's disadvantages with one side's advantages, the advantages of both the urban and rural areas can be integrated.

BAN YUE TAN VIEWS UNREALISTIC GROWTH RATES

HK050815 Beijing BAN YUE TAN in Chinese No 8, 25 Apr 85 pp 22-23

[Article by Yu Youhai: "The Growth Rate Must Be Realistic"]

[Text] At the Third Session of the Sixth NPC, Premier Zhao Ziyang pointed out: "It is necessary to uphold the principle of seeking truth from facts and advancing steadily and to resolutely prevent the practices of blindly pursuing and contending for growth." Based on the situation in some localities, this idea is absolutely correct and has immediate impact.

We can judge from an analysis of industrial production that there are two issues which impel us to seriously face the problem of preventing the competition for growth.

First, there is a short supply of energy, transportation and communications means, and raw materials. Although a number of enterprises have adopted the method of eating next year's food, they still cannot extricate themselves from the predicament of waiting and looking for rice to cook. The phenomenon of factories suspending production to wait for electricity and raw materials has occurred now and then. For this reason, the state has imported some energy and raw materials from other countries. For example, the rolled steel imported last year was equivalent to one-third of China's total steel output for the year, yet it could not meet demand. Further imports can be considered in the future. However, it would be unrealistic for a large country with a population of 1 billion like ours to rely too much on imported materials to carry out construction. The problem of energy, transportation and communications, and raw materials required for developing production should be solved internally. Our growth rate should be based on, not deviate, from this.

Second, it is still necessary to make strenuous efforts to solve the problem of poor economic results. Although marked results have been achieved in this respect recently, we cannot be optimistic. The situation of inferior quality, appalling waste, high costs, and poor results has not yet been fundamentally transformed in a large number of enterprises. While industrial growth was relatively fast in 1984, the cost for comparable products of the preceding year by the budgeted state-owned enterprises in the first 11 months exceeded by 1.3 percent the corresponding period of the previous year.

In this alone, an additional amount of 3.6 billion yuan was expended. Industrial growth has developed faster since the beginning of this year, but the energy and raw materials put in did not produce the anticipated products and results. The consumption of some enterprises increased, but their quality dropped. The deficits incurred by enterprises running at a loss in the first 2 months of this year increased by 5.8 percent over the same period of the previous year. It is quite obvious that such a growth rate will cause a waste of energy and raw materials, of which we are in short supply.

These two questions give us much food for deep thought: Should we blindly pursue and contend for a high growth rate irrespective of the supply of energy, transportation, and raw materials, or should we arrange the speed of production realistically and enable the limited energy, transportation capacity, and raw materials to create more and better social wealth?

The answer is obvious: We should realistically plan the growth rate based on the existing situation of energy, transportation, and raw materials. If we pursue the so-called high growth rate with no consideration for the situation, the growth will not last long and will eventually lead to new economic problems. Some of these problems have already appeared in some localities. Some enterprises in these localities have consumed large amounts of the valuable energy and raw materials and exhausted the equipment and manpower to produce rough and slipshod work. If this trend is allowed to develop unchecked, it will result in using all the energy and raw materials and damaging the equipment. In the long run, we will be forced to suspend production and we will lose more than we gain. If the enthusiasm in contending for growth is shifted to reducing consumption, improving quality, increasing income, and retrenching expenditure, the situation will be different. Our enterprises will then be able to use the least consumption of animate labor and materials to produce more goods that can meet social needs.

Needless to say, the subjective desire of some comrades to speed up the economic growth is well-intentioned. However, if we fail to proceed from practice even the best desires will lead us nowhere. We cannot then say that the impetuosity and rashness of some cadres in economic affairs was ill-intentioned. As the practices ran counter to the principle of seeking truth from facts, what we actually achieved were high speed but low results and false reputation but grave misfortune, which seriously affected the national economy. Past experiences, if not forgotten, should be a guide for the future. As China's economy is now developing in a sustained, steady, and coordinated manner, we must be sober-minded, cherish the hard-won favorable situation, and never be swollen-headed on the issue of growth and repeat the mistake of more haste, less speed. Some people have compared the goal of quadrupling to a marathon race, by saying that the speed of an athlete is related to whether he can win the race; it is more important to keep a relative speed through to the end. Master skills are acquired through sustained efforts rather than temporary high speed. Although this saying is not precise and definite, the truth it implies provides food for thought. In our economic work, we must forge ahead and be realistic, just like running a marathon. Instead of seeking temporary high speed, we must ensure that the growth will develop in a sustained and relatively fast manner until we triumphantly stride into the 21st century.

RENMIN RIBAO VIEWS ECONOMIC THEORY PUBLICATION

HK040848 Beijing RENMIN RIBAO in Chinese 29 Apr 85 p 5

[Article by Liu Guoguang and Zhang Zhouyuan: "Courageously Bringing Forth New Ideas in Socialist Political Economics -- on Sun Yefang's 'Manuscript of Socialist Economic Theories'"]

[Text] The important academic work "Manuscript of Socialist Economic Theories" by China's well-known Marxist economist Sun Yefang has recently been published by the People's Publishing House.

To write "Socialist Economic Theories" was Comrade Sun Yefang's long-cherished wish. Even when he was jailed on an unjust charge during the "Great Cultural Revolution" he never forgot it. During the 25 years when he worked in the Institute of Economics, from the end of 1957 to the beginning of 1983, when he passed away, he expended all his energies to write "Socialist Economic Theories." The book includes six manuscripts totaling nearly 330,000 characters. They are the most important parts of various partial achievements of the unfinished work. The book contains design blueprints such as the outline of the "Socialist Economic Theories," the views aired when discussing its first draft, and the tentative ideas for the second draft, as well as considerably rich original data, such as the 150,000-character draft of the speech he delivered at the People's University of China in 1962 and 1963. It also includes some other articles such as the "Introduction to 'An Outline'" and "An Introduction to Circulation" which he personally finalized. To understand how Comrade Sun Yefang opened a new road for himself and boldly brought forth new ideas for socialist political economics, we have to read the "Manuscript of Socialist Economic Theories."

The contributions of the book to the science of Marxist economics lies in the fact that it advances a new system which is utterly different from traditional socialist political economics. This new system is firmly based on several basic theses built through study and deliberations rather than built on the sand. It is precisely these basic theses that enabled the system he advanced to leave fresh and lively impressions on people. His unique theory of value provides an important theoretical basis for the new system. The traditional economic theories regard value as a matter divorced from socialist economics and the law of value as antagonistic to the socialist economy. However, Comrade Yefang persistently held that value is inherent in the socialist economy and the law of value is the main law governing the movement of the socialist economy. This socialist theory of value is, as Comrade Yefang put it, not his own invention but is based on classical Marxist works. The problem is that "many Chinese and foreign economists either attach absolutely no importance to the relevant important statements by Marx, Engels, Lenin, and Stalin or view them as slips of the tongue or as an early, immature, or non-Marxist viewpoint" (see the above-mentioned book, p 325). He excavated these theses out of the treasure house of classical writers and energetically reminded people to attach importance to Marx's theses on the manipulatory role which value determination plays in regulating work time in socialist society and in distributing social labor between different kinds of production. He also urged attention to Engels' theses, such as value is the relation of production cost to usefulness and, under the public ownership system, the use of the concept of value is more and more limited to solving problems concerning production, which is where it should really function. Many comrades have now come to realize that the above theses of Marx and Engels are indeed of great significance in guiding our present socialist construction.

Proceeding from his theory of value, Comrade Yefang advocated that the red line of socialist political economics must be turning out the maximum products in a planned way to meet social need with a minimum consumption of social labor, that is, the so-called "minimum-maximum" concept. This concept is not surprising at all today. But if one looks back at the situation at the end of the 1950's and the beginning of the 1960's, a situation in which "leftist" ideology ran rampant and the slogan of class struggle was shouted loudly everywhere, one finds that Comrade Yefang boldly replaced the Red line which took class struggle as the key link, a line which occupied a predominant position in the theoretical community in those years, with the "minimum-maximum" concept. One must admire his theoretical courage, foresight, and sagacity.

Taking the "minimum-maximum" concept as the Red line is, in fact, the logical conclusion of his theory of value. This is because value -- this concept -- means making an economic comparison, including a comparison between specific labor consumption and socially necessary labor consumption and between labor consumption and usefulness. It also means paying attention to efficiency under the pressure of competition and using labor sparingly. Naturally, the "minimum-maximum" concept was pushed to a central position in economic activities.

Another important aspect of Comrade Yefang's new system of the socialist political economy is that in economic circles, he long ago discarded the traditional ways of doing things such as "regularity arrangements," "policy compilation," and old dogmas that stressed preceeding from the public ownership system in analyzing the socialist economy. He advocated that we should proceed from the analysis of products or commodities. We applied the process methods (that is, first analyze, the process of direct production; next, analyze the process of circulation; then analyze the general process of social production). This was, in fact, a method of analyzing how the theory of value gradually functioned in the above processes. It must be said that this method and system were pioneering in character at that time. Although this system was somewhat experimental in nature and inadequately mature, it was, after all, a new system and school of thought that sounded reasonable and had sufficient grounds to contend with a hundred other schools of thought. The book deals with the essentials and the outline of the new system and expounds them fairly specifically. This is a good starting point for later generations to continue making explorations in this regard. We believe that China's economists can draw inspiration from this book and further advance the work of establishing the scientific system of socialist political economics.

The important characteristic of Sun Yefang's socialist economic theoretical system is that it is practicable. The main contribution of this book lies in forming a new system for socialist political economics. However, while discussing this system, Sun Yefang made quite a few suggestions and proposals which are of great significance to the current socialist modernization program. As everybody knows, when criticizing the traditional socialist economic theoretical system, Comrade Yefang fiercely attacked the important pillar of the system -- the theory of a natural economy -- pointing out: The theory of a natural economy is the theoretical basis of the traditional economic pattern and structure riddled with malpractices. The book thoroughly analyzes the various manifestations of the theory of a natural economy (and the theory of non-circulation) and the harm and social and historical roots of the theory. We hold that when criticizing the theory of a natural economy, Comrade Yefang hit the vital points of the traditional pattern and structure. This is of particularly great significance to the current economic structural reform.

Attaching importance to the process of circulation and stressing exchanges of equal value are the inevitable conclusion of Comrade Yefang's theory of value applied in the process of circulation. He pointed out: "Socialist circulation refers to the circulation of funds as a whole. It aims at organizing thousands upon thousands of enterprises in society in a satisfactory way and replacing the blind and spontaneous process of circulation with a conscious and planned process of 'material supersession'" (pp 219-220). This is also the crucial point of the socialist planned economy. What is more important, calculating carefully and budgeting strictly, stressing efficiency, and combating waste are indispensable to the theory of value. Today, reading what he wrote on these matters 20 years ago, we still find it moving. With the goal of attaining better economic results, Comrade Yefang persistently attached importance to technological progress and the return from the use of funds. This is also of direct and immediate significance.

The book also has deficiencies. Being an unfinished work, many contents of the book, including the outline and system, are still only partial achievements. Since the work "Socialist Economic Theories" was not finished, one can hardly say that its contents have been fully proven in scientific terms. However, the design of ascending from a simple category to a specific category, which is indispensable to a scientific system, is far from elaborate and strict. Moreover, while correctly opposing the theory of the natural economy, the book excessively negates the theory of the socialist commodity economy. In expounding the law of value, it puts one-sided stress on the role the law plays in calculating economic results to the neglect of the use of market mechanisms and ignores the fact that in the socialist economy there still exists the question of the realization of market mechanisms. This does not tally with the practice of our current economic development. Of course, in his later years, he changed his theories to a certain extent through closely watching the development of practice. For example, he recognized that the goods exchanged between the internal sectors of the economy under the socialist system of ownership by the whole people are somewhat of a commodity character and the aim of production by socialist enterprises is to meet social demand rather than stockpiling what they have turned out. He also began to affirm that in the socialist economy there still exists the question of the realization of market mechanisms. All these are reflected in the book to a certain extent. We are determined to explore Comrade Yefang's scientific legacy and to further promote the vigorous development of the economic science, in particular, socialist political economies. Perhaps this is the best way to commemorate the second anniversary of Comrade Yefang's death.

CAO YU URGES DRAMATISTS TO CREATE BETTER WORKS

HK020329 Beijing RENMIN RIBAO in Chinese 29 Apr 85 p 7

[Article by Cao Yu: "Undertake the Important Mission Entrusted to Us by the Times" -- slightly abridged opening speech at the Fourth Congress of the Chinese Dramatists' Association]

[Text] You comrades have come from all parts of the country to the capital to attend the fourth congress of the Chinese Dramatists' Association and to discuss many issues that concern the present situation and future development of socialist drama in China. This is a meeting of great significance, especially now when the material and spiritual civilization in our country has been raised to a new, high level, when reforms in all fields are surging ahead vigorously, and when literature and art are flourishing to an unprecedented degree. Today the people throughout the country are expecting us to make new achievements in developing socialist drama with Chinese characteristics, and the party and the state hope that we will show the spirit of our great times in various types of drama and dramatic arts. The times have entrusted us with a great mission. We rejoice at being able to undertake this great mission.

A few days ago, I attended the Third Session of Sixth NPC and was greatly inspired and enlightened. This meeting was imbued with a democratic and united spirit. The people's deputies radiated inexhaustible wisdom and power. They put forward many constructive proposals to push ahead our modernization drive and our economic reforms. The deputies deeply believe that under the leadership of our party Central Committee, our motherland will soon become powerful and prosperous and our people rich and better off. I was deeply moved and inspired by the confident and patriotic spirit and by the socialist unity. I believe that this current meeting will also be one that is filled with confidence and a democratic spirit.

Our party has always highly valued our dramatic work and has shown concern for the development of this work. Since the 3d Plenary Session of the 11th CPC Central Committee, many successful dramas and performances have emerged covering all types of operas, plays, dances, and shows. A large number of excellent playwrights, directors, actors and actresses, dancers, and grass-roots organizers have developed. Old, middle-aged, and young dramatists have actively responded to the call of the 3d Plenary Session of the 11th CPC Central Committee and have written and performed many good plays which reflect the spirit of the times and are popular with the masses. Comrade Deng Xiaoping's congratulatory speech at the fourth congress of Chinese writers and artists is a document of great guiding significance. We are still inspired when reviewing it. He has pointed out a broad and correct road for our dramatists. So long as we advance along this road, we will make achievements; but if we deviate from this road, we will make mistakes or suffer setbacks. Some comrades think that drama is now waning, but many people do not agree with this viewpoint. This argument is natural.

In my view, with the exception of some types of drama and some performance troupes, drama in general is facing a certain degree of depression. This state of affairs is ascribed to a variety of factors. We should admit that drama is faced with challenges from other artistic forms. Movies, television, and song and dance performances, together with various other types of entertainment, have attracted the public to a larger extent, and this has definitely affected the drama industry.

Is it true that our stage dramas will be left out in the cold when there is a richer variety of artistic forms? I don't think so. Dramas have a special appeal for audiences, and the feelings expressed on the stage can easily be passed to and fed back from the audience. This artistic form will never be replaced by any other artistic form.

Of course, we should admit that drama is now in a depression to a certain degree, due to specific and objective factors. As long as we make concerted efforts to remove various disturbances, we will certainly reinvigorate our drama industry and make it flourish.

In the world as a whole and in our country, various arts are competing with each other. This competition is not a bad thing. We must stage good dramas which can meet the party's expectations and must create high quality works. This is a requirement of our times and our people upon our dramatists.

If we do not notice the depression in our drama industry, we are blind; but if we do not squarely face this situation, we are cowardly. If we do not study the situation and solve the problems and work out effective methods to change the situation, we will be neglecting our duty and letting down the party and the people. We should affirm that a number of outstanding and vigorous middle-aged and young playwrights, performers, and dancers who have lofty ideals have emerged in our ranks. They have created many good works and staged many good plays which are very popular with the people. They are the backbone force and are playing a leading role. We should thank these promising middle-aged and young dramatists. At the same time, however, we should also notice that the quality and quantity of good works and dramas have not met the requirements of the items and the expectations of the people. Our middle-aged and young colleagues, as well as many of our old comrades, should make joint efforts to advance our creative work in greater strides, to overcome various obstacles, and to enrich our thought and deepen our understanding of actual life. Then we will be able to display our feelings, emotions, skills, and abilities in the writing of good dramas and in the successful performances which reflect the spirit of our times. Only thus can we make our drama industry flourish.

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CHINA
PRC NATIONAL AFFAIRS

Comrade Hu Qili spoke on behalf of the CPC Central Secretariat at the recent congress of the Chinese Writers' Association. We all felt excited and inspired because the party central leadership promised us safeguards and conditions for creative freedom.

Our drama has a time-honored revolutionary tradition. Our comrades are enthusiastic about thinking and exploring. The dramatists of the older generation started our cause. At present and in the future, we will continue to develop this cause and break new ground. We all are delighted with the achievements in drama. In the course of advancing, we have encountered and will encounter difficulties and setbacks. In any case, we must carry forward the revolutionary tradition.

We hope that this meeting will be a successful one and will, as Comrade Hu Yaobang said, really bring our drive into full play, achieve great unity, and bring about a prosperous situation in drama. Through this meeting, in which we will discuss and resolve some actual questions, I believe that some brilliant dramas will certainly emerge on our socialist stage. There will certainly be good works which contain profound thoughts, display high artistic quality, have a healthy and exquisite style, and reflect the spirit of the times and promote the advance of the times.

NUCLEAR INDUSTRY TO STRESS CIVILIAN PRODUCTION

HK040646 Beijing ZHONGGUO XINWEN SHE in Chinese 1334 GMT 3 May 85

["Eighty Percent of China's Nuclear Industry Will Be Used for Civilian Production" -- ZHONGGUO XINWEN SHE headline]

[Text] Guangzhou, 3 May (ZHONGGUO XINWEN SHE) -- At the Guangzhou Trade Fair, a responsible person of China's Atomic Energy Industrial Company told our reporters that China's nuclear industry is being shifted from military production to civilian production. In the past, over 80 percent of China's nuclear industry was used for military production, but in the future, 80 percent will be used for civilian production.

At the trade fair, 47 kinds of civilian products produced by China's Atomic Energy Industrial Company have attracted more than 70 groups of businessmen from West European countries, the United States, Japan, Hong Kong, and Macao to come hold discussions about them. The responsible person also said that the civilian products produced by China's nuclear industry have not only been greatly welcomed on domestic markets, but also on international markets. Calcium, for instance, which is extracted from uranium is an important raw material of the smelting industry. China has been exporting calcium for almost 4 years. Now the calcium exported by China accounts for one-fourth of the total world calcium exports. At the trade fair, calcium has again had good sales.

CENTRAL LEADER STRESSES CHEMICAL INDUSTRY

OW030457 Beijing XINHUA Domestic Service in Chinese 0103 GMT 1 May 85

[By reporter Huang Fengchu, correspondent Du Yaojin]

[Excerpts] Beijing, 1 May (XINHUA) -- Chemical materials will play a more important role in the four modernizations arena. After hearing a report made by the leading party group of the Ministry of Chemical Industry, a leading comrade of the central authorities pointed out that the chemical industry is an important part of the groundwork of national economic construction and that the production of raw and semifinished materials, including chemical products, should be regarded as just as important as energy and communications construction.

After more than three decades of development, New China has now set up a basically comprehensive chemical industry capable of producing 30,000 varieties of chemical products of different specifications, accumulating enormous wealth for the state. The rapidly growing petrochemical industry has also become a major industry in the country. The many chemical factories set up by the metallurgical, nonferrous, forestry, light industrial, and defense industrial departments have also made significant contributions to the development of chemical industry. On the whole, however, the output still cannot satisfy the nation's needs in terms of quality, quantity, and variety. Such a situation, which has directly affected the national economic development and the improvement of people's livelihood, has become a weak link in the four modernizations.

Underscoring the need to expedite the development of chemical industry, the central leading comrade stressed that since chemical industry involves many trades, products, and economic departments, it is necessary to remove the barriers between various departments and between various regions and to rely on the efforts of all quarters to set up large, mid-sized, and small chemical enterprises. He said local initiative in producing chemical products with collective funds should be encouraged in terms of policies, and given technical guidance.

The central leading comrade also pointed out that to achieve better economic performance, the chemical industry must make an effort to develop production of refined chemical products such as agricultural chemicals, dyes, paints, reagents, photosensitive materials, food and feed additives, and so forth, whose production is still growing in developed countries. He added that the variety of these products covers an extensive scope, they consume little energy, their output value is high, and many products are closely associated with people's livelihood.

To narrow the gap between our country and developed countries in the chemical industry field, the central leading comrade urged the Ministry of Chemical Industry to regard it an important task to study chemical industry development, understand the world's latest science and technology, and introduce the latest technology into our country. He said that chemical industry departments must speed up their administrative reform, and that the Ministry of Chemical Industry's main role from now on will be exercising macroscopic guidance over the entire chemical industry, conducting overall planning, coordinating the operation of various departments, serving them, and supervising their operation.

Earnestly implementing the central leading comrade's guidance, the leading party group of the Ministry of Chemical Industry has set forth these three priorities for chemical industry development: 1) production of compound fertilizer and development of chemical resources; 2) production of basic chemical raw materials, especially soda ash and caustic soda; and 3) development of refined chemical products.

CYL'S HU JINTAO, BEIJING YOUTH MARK YOUTH DAY

OW060501 Beijing XINHUA Domestic Service in Chinese 1646 GMT 4 May 85

[By reporter Sun Xiaoming]

[Text] Beijing, 4 May (XINHUA) -- Tens of thousands of young workers, peasants, and students in the capital and young officers and fighters of PLA units in Beijing spent an evening brimming with youthful vitality to mark 4 May, Youth Day.

To mark this year's Youth Day, the CYL Central Committee, the Beijing CYL Committee, and other units sponsored get-togethers at four different places -- a factory, a village, a university and a military unit in Beijing.

The Shoudu Iron and Steel Company's Chinese rose garden was today decorated with colorful lanterns and streamers. Young workers of the company, who are on the forefront of urban economic reform, sang and danced around the flower beds. Beating gongs and drums, the young peasants in Tong County's Taihu Township, a model for the socialist countryside, marked the occasion with parties of traditional dragon lanterns and walking on stilts. Students of Beijing University, cradle of the May 4th Movement, lit numerous torches at the May 4th square where a PLA band moved the students' hearts with patriotic music.

The most popular people at the get-togethers were representatives who were commended at the national meeting of shock forces of the new Long March. During the get-togethers, these stock forces chatted with the young attendees and brought them news about the achievements on various fronts.

At Beijing's Jingfeng guesthouse, Hu Jintao, first secretary of the CYL Central Committee, marked Youth Day at a get-together of league members of units under the PLA General Logistics Department. On behalf of the nation's young people, he extended cordial regards to all young people fighting on the first front day and night to defend the motherland, the people, and the four modernizations. He urged the nation's young people to emulate the PLA, set lofty goals, work hard, and contribute to building a powerful and prosperous country. Literary and art workers, who are members of the All-China Youth Federation, and other young literary and art workers in the Armed Forces, added fun to these get-togethers by providing lively and colorful literary and art programs.

Hu Jintao Radio Talk

OW032206 Beijing Domestic Service in Mandarin 0500 GMT 3 May 85

[Radio talk by Hu Jintao, first secretary of the Secretariat of the CYL Central Committee: "Carry Forward the Glorious Traditions of the May 4th Movement and Advance Under the Banner of Communist Ideals"]

[Excerpts] Young friends: Tomorrow is the 66th anniversary of the May 4th Movement. On the eve of this youth festival, on behalf of the CYL Central Committee, the All-China Youth Federation and the All-China Students Federation, I give you my warm greetings and cordial regards.

The May 4th Movement was a great anti-imperialist and antifeudal patriotic movement, as well as a great movement to usher in communism. Young friends, what are your reflections when commemorating this brilliant festival day today? What have you learned from the youth of the May 4th Movement? I think that the youth of the May 4th Movement have given us a profound revelation. They've shown us that only by lighting the torch of ideals, can we acquire the pioneering and creative vigor, the firm and indomitable perseverance, and become the backbone force needed to build the motherland and accomplish the four modernizations.

After repeated comparison, the youth in the May 4th Movement period chose to believe firmly that China can be saved only under the guidance of the banner of communism. Young people today have even more reasons to say that China can be rejuvenated only under the guidance of the banner of communism.

In order to become a useful person in this era, a youth must constantly firm up his faith in communist ideals and persistently bring into play all his wisdom and talents under the guidance of a lofty objective.

The objectives of the on-going reform of the economic structure are identical to communist ideals. The reform is a step toward the ultimate goal of communism. Conversely, only by keeping the communist ideals constantly in mind can we ensure that reform proceeds smoothly. What are the criteria for judging whether a youth of the 1980s has lofty ideals and truly yearns for communism? The most important criterion is to see whether he takes the lead in undertaking the four modernizations and reforms and whether he is bent on pioneering and has the courage to give his life for the communist cause. Young people should actively and voluntarily join the current reform, boldly challenge to combat old conventions and old ideas that are unsuitable to the present way of production and life, and do away with backward and conservative traditional thinking left over from the past several thousand years.

At the same time, young people should consciously resist the corruption of decadent and declining thinking and keep to a correct orientation at all times.

There are 15 years to go before the end of the century. The 15 years are golden years in which Chinese youth will pioneer, create, and work with a will to make the country strong. We are convinced that the youth of this generation surely will carry forward the glorious traditions of the May 4th Movement and advance under the guidance of the banner of communism. They surely can make golden contributions in the golden years and leave a record of their struggle in the annals of the third leap of the Chinese nation.

Hao Jianxiu Speaks to Youths

OW070141 Beijing XINHUA Domestic Service in Chinese 1537 GMT 3 May 85

[Text] Beijing, 3 May (XINHUA) -- At the meeting marking the 66th anniversary of the May 4th Movement and the closing ceremony of the national meeting commending the New Long March shock workers sponsored by the CYL Central Committee on 3 May, Hao Jianxiu, alternate member of the Secretariat of the CPC Central Committee, said: The Chinese youths of the 1980's must be determined to strive, bravely create new things, study hard, and steadily make contributions to developing China.

She said: The activities launched by the CYL organizations of striving to be new Long March shock workers are influential and significant. Over the past few years, along with the deepening of China's economic reform, the new Long March shock workers activities have continuously made new developments, encouraging the youths of this generation to play an important role for the great cause of making the country prosperous and strong and the people well-off. We have every reason to believe that more new Long March shock workers will emerge while we make reforms and engage in the construction of the four modernizations in the future. The new Long March shock workers activities will certainly make still greater developments and achieve new results in the construction of the spiritual and material civilizations.

Hao Jianxiu said: Working hard, studying assiduously, creating a new style, and making reforms are the essence and main current of the contemporary youth movement. The youths of the 1980's are a generation in which the party and the people have great expectation. They are the generation which the motherland trusts. The general task facing them is to build socialism with Chinese characteristics, quadruple the annual agricultural and industrial output value by the end of this century under the prerequisite of continuously increasing economic and social results, and build China into a highly civilized and democratic modern socialist country in another 30-50 years.

She said: To fulfill their glorious task, the youths of this generation must first be determined to work hard. Because ours is a big country with a population of 1 billion people and we have a poor foundation to start with, we still face quite a few difficulties. We must make tremendous efforts to take every step forward. We now advocate

working arduously, which generally means to keep forging ahead and to dare to struggle against difficulties. Difficulties always exist; therefore, the torch of struggling against difficulties can never be extinguished. We must encourage youths to do solid work and be devoted. To do solid work means that each youth must do his own job with deep dedication and a strong sense of responsibility and earnestly and conscientiously achieve the best results.

To be devoted means that each youth must have the cardinal principles in mind and take the overall situation into account and correctly handle the mutual relations between the state, the collective, and the individual. A youth must always heed the motherland's call. A youth must be unconditionally devoted to the motherland's needs. All Chinese youths who have high aspirations should be determined to work hard, make unremitting efforts to improve themselves, and make their due contributions in the great practice of the construction of modernization.

Hao Jianxiu said: To fulfill their glorious task, the youths of this generation must also dare to create new things. We are dedicated to the great, pioneering cause. We must create new things to take every step forward. If revolutionaries of the older generation had not creatively combined the universal truth of Marxism with practice of the Chinese revolution, the birth of new China would have been out of the question. If we do not engage in new and creative practice today, the four modernizations will be out of the question, and socialism with Chinese characteristics cannot be built. The youths are highly creative. In breaking through new technology, in social change, or in initiating a new style, the youths, more often than not, take the lead. The Chinese youths have a vast reservoir of creative power, and the cause of reforms and the four modernizations under our party's leadership has opened up an unprecedented vast field where youths can develop their creative spirit. Under the new circumstances of opening to the outside world, enlivening the economy, and making reforms, we are facing many new situations and new questions. There are no ready-made answers of books to copy. We can only proceed from the actual situation, explore through practice, and create new things while working hard. The party and the people want this generation's youths to strive to be the most creative persons in the history of the Chinese nation. This can greatly speed up the progress of our cause.

She said: To fulfill the glorious task of that youth of this generation, the younger generation especially must study assiduously. The construction of the four modernizations is a great project and needs professionals in all fields. Without people with professional skill who have mastered modern science and technology and general knowledge, it would be difficult to build China into a first-rate socialist power in the world. Every contemporary Chinese youth who is determined to work hard, whether he works in the industrial, agricultural, or commercial field and whether he is engaged in scientific research or enterprise management, must assiduously study scientific knowledge to master the most modern science and technology and the most advanced management knowledge of his own profession and serve the four modernizations with genuine talent so as to make contributions for the motherland. It is necessary to combine study with one's own profession. Whatever job a youth is on, he must regard the study of his own vocational work as the most important objective, love whatever job he takes, perfect his skill, and continuously raise his actual work capability and standard. It is necessary to emphasize practical results in study and to study for the purpose of application. Do not study mechanically. It is necessary to study with the world, the future, and the four modernizations in mind. It is necessary to keep in sight the vigorous development of the new scientific and technological revolution throughout the world and the improvement of the cultural quality of the entire Chinese nation. Hao Jianxiu wants our youth to firmly grasp the opportunity to study hard; use their great willpower to scale heights in culture, science, and technology; and train themselves to become a new generation of builders who are educated and good at technology and management.

Hao Jianxiu said: Comrade Deng Xiaoping recently reemphasized the importance of fostering a lofty ideal. He pointed out that it was necessary to educate our next generation and our next two generations into becoming people who have ideals and are moral, educated, and strict in discipline.

This fully shows the ardent expectations which revolutionaries of the older generation place on the younger generation. The party and the people are completely convinced that our younger generation will certainly give an outstanding answer in practical actions!

Hao Jianxiu said: It is the task of whole party and the entire society to show concern for and train the younger generation. Party organs at all levels must pay still greater attention to the work of youth and study it periodically and support CYL organizations, which boldly and vividly promote work in accordance with the characteristics of youths. It is necessary to care about and solve the practical difficulties which youths have in their work, study, and living. I hope government departments at all levels and all fields in society will show concern for the younger generation's healthy growth and do some useful work for them.

Hao Jianxiu said: During the new historical period, when we are working hard to make our nation soar, youths are shouldering a glorious but herculean historical mission. The burden is heavy and the road is long. We firmly believe that you can certainly keep forging ahead and make achievements in the new historical period in order to build China into a first-rate socialist power in the world.

PLA FAMILY SERVICE CENTERS SET UP IN JIANGSU

OW060628 Beijing Domestic Service in Mandarin 0400 GMT 5 May 85

[Excerpts] According to ZHENGZHI GONGZUO TONGXUN [POLITICAL WORK NEWSLETTER], in view of practical problems facing basic-level Army cadres' families in the new situation, Nantong City, Jiangsu Province, has since last July vigorously promoted the establishment of military family service centers in the two districts and six counties under its administration. By February this year, 154 such service centers had been set up. They have so far provided 5,800 square meters of floor space of housing for families of basic-level Army cadres on active duty, helped 331 military family members get job transfers, and provided other services for 1,491 others.

The specific tasks of such military family service centers are: 1) giving priority to solving housing problems for military families; 2) doing everything possible to help military wives get job transfers or suitable work shifts; 3) making proper arrangements for military wives to visit their husbands; 4) providing voluntary medical and nursing services for military families; 5) ensuring the admission of Army cadres' children to nursery or school in time; 6) helping military wives with their heavy housework; 7) providing military families with techniques and funds or helping them with farming so that they can become better off; 8) mediating military family disputes or those with their neighbors; and 9) protecting military wives' personal rights.

A note added by the Chinese PLA General Political Department to the above report says: An investigation report by the Jiangsu Provincial Military District Political Department on promoting the establishment of military family service centers in Nantong City is convincing and inspiring, and is worth serious reading. By making vigorous efforts to help basic-level Army cadres solve their problems back at home, Nantong City has shown its concern and support for Army building. This vivid fact further proves that our government and people are very much concerned with and cherish the Army. From this all our cadres should be inspired and should derive strength. They should further strengthen their spirit and work hard to contribute to Army building.

The income of many of our cadres, especially basic-level cadres, is relatively small, and their families are aware of and concerned about this situation and will seek ways to solve such problems step by step. However, we should understand that a country or a locality, just like a big family, also has difficulties of one kind or another. Limited by various conditions, the stage cannot satisfactorily solve all problems in a short time. For this reason, all PLA units, while doing everything possible to help their cadres surmount their practical difficulties, should also educate them to carry forward the spirit of hard struggle. As for problems which cannot be solved for the time being, Army cadres should make full allowances for the difficulties facing the state or localities and give first place to the interests of national construction and Army building.

JIEFANGJUN BAO Hails Centers

OWO50446 Beijing Domestic Service in Mandarin 2230 GMT 3 May 85

[Text] JIEFANGJUN BAO on 4 May frontpages prominently an investigation report, introducing the successful attempt made by Nantong City, Jiangsu, to free military officers from family worries by setting up service centers to serve their needs.

Although such centers have been set up only recently, they have won very favorable comments from all quarters -- the party, the government, the military, and the people. In this connection, JIEFANGJUN BAO carries a commentator's article, hailing the establishment of these service centers as a pioneering support-the-military project during the new period.

YANG DEZHI GREETES TIBETAN MOUNTAIN CLIMBERS

OWO40159 Beijing XINHUA Domestic Service in Chinese 1532 GMT 2 May 85

[Text] Beijing, 2 May (XINHUA) -- The State Physical Culture and Sports Commission [SPCSC], the All-China Sports Federation [ACSF], and Yang Dezhi, honorary chairman of the Chinese Mountaineering Association [CMA], today sent congratulations to the nine Tibetan mountaineers who successfully ascended the world's sixth highest mountain, Cho Oyu, which is 8,201 meters above sea level.

The greetings from the SPCSC and the ACSF pointed out that the Tibetan mountaineers' success in conquering the world's sixth highest mountain is a major victory in striving to scale heights and surmount difficulties and in relying on one's own efforts to meet the strict requirements set for oneself. It said that the victory is a new contribution to the mountaineering cause of China and Xizang.

Yang Dezhi said in his greetings: The Tibetan mountaineers' success in relying on their own efforts to conquer the world-renowned mountain indicates the great potentials of the Tibetan and other fraternal people of Xizang to promote mountain climbing, and it also shows Xizang's rapid sports development following the 3d Plenary Session of the 11th CPC Central Committee. The greetings read: "In the course of their previous revolution and construction, the Chinese people always demonstrated their dauntlessness in scaling all heights and surmounting all obstacles and their indomitable spirit of not giving in to any pressure or difficulty. I believe that your success in conquering Cho Oyu will certainly greatly inspire the broad masses of army men and people."

In its greetings, the CMA expressed the hope that the Tibetan mountaineering team will earnestly sum up its mountain climbing experiences, be fully aware of Xizang's great potentials in mountaineering sports, and strive to tap these potentials so that Tibetan mountain climbers will be among the best in the world so as to make new contributions to the nation's four modernizations.

STATE COUNCIL ON TERTIARY INDUSTRY STATISTICS

OW040623 Beijing XINHUA Domestic Service in Chinese 0901 GMT 3 May 85

[Text] Beijing, 3 May (XINHUA) -- The General Office of the State Council has urged all regions and departments to step up the compilation of tertiary industry statistics, pointing out that they must intensify their leadership over this new project, assign needed personnel to handle the work, and render the necessary assistance. The General Office of the State Council made this call in a circular while transmitting a report prepared by the State Statistical Bureau on compiling tertiary industry statistics.

The circular says: As the nation's productive forces continue to expand and economic reforms continue to proceed, some new methods of accounting should be studied and adopted to show and study from various angles the size, structure, and the level of development of various economic sectors so that the economy can be rationally restructured and economic and social development can proceed harmoniously. Currently, while we must continue to do a good job in compiling statistics on the value of total social output, the value of total industrial and agricultural output, and national income, we should step up compiling statistics on GNP and the tertiary industry. To compile statistics on tertiary industry and to compute its output value, the three industries must first be clearly defined. According to the State Statistical Bureau's report, the nation's three industries should be defined as follows:

First industry: agriculture (including forestry, animal husbandry, fishery, and so forth).

Second industry: industry (including mining and manufacturing industries; supply of running water, power, steam, hot water, and coal gas) and construction.

Tertiary industry: all other services which do not fall into the first and second categories mentioned above.

Since tertiary industry involves many trades and covers an extensive scope, it can be divided into two major departments in the light of our country's actual situation, the circulation department and the service department; these two major departments can be subdivided into four levels:

First level: circulation departments, including communications and transport, postal and telecommunications services; catering services; commodity supply, marketing and storage services.

Second level: Departments serving production and daily life, including banking, insurance, geological survey, real estate, public utilities, community services, tourism, consultative and information services, and various types of technical services.

Third level: departments set up to promote science and education and people's well-being, including educational and cultural services; radio and television broadcasting; scientific research; health care; sports; and social welfare services.

Further level: departments serving public needs, including state organs, government and party organs, and social groups, as well as the Armed Forces and police, and so forth.

The State Statistical Bureau says in its report: In view of the different roles played by the various trades of tertiary industry in the nation's social and economic development, it is suggested that the ways used for computing the output values of the first, second, and third levels mentioned above be used to observe and evaluate the tertiary industry's output value and GNP. The State Statistical Bureau says in its report that it is necessary to improve the accounting system and statistical work of all departments concerned in order to acquire accurate tertiary industry statistics.

HAINAN ISLAND CELEBRATES INTERNATIONAL LABOR DAY

HK300825 Haikou Hainan Island Service in Mandarin 0400 GMT 30 Apr 85

[Text] The provincial Federation of Trade Unions and Hainan Administrative District Office jointly held a forum marking International Labor Day and the 60th anniversary of the founding of the All-China Federation of Trade Unions in Haikou yesterday.

The forum was attended by more than 60 people, including the country's model workers from the district's industrial, communication, capital construction, financial, cultural and educational, public health, and scientific research fronts; the province's model workers and outstanding workers; as well as representatives of aged workers.

At the forum, the participants reviewed the glorious history of International Labor Day and China's labor movement. They spoke freely about the good situation developed in the wake of the 3d Plenary Session of the 11th CPC Central Committee, and pledged their determination to strive for realization of the four modernizations.

Yao Wenxu, secretary of Hainan District CPC Committee; and Lin Taosen, Standing Committee member of the district CPC Committee, attended the forum. Comrade Yao Wenxu made a speech at the forum. He expressed season's greetings to the participants and the district's working class as a whole. In addition, he encouraged model and outstanding workers to carry forward the glorious traditions of the working class, to establish the thinking of serving people wholeheartedly, to work hard in their study, to constantly heighten the level of their political thinking and educational background, to improve their scientific management skill, to develop the commodity economy systematically, and to make greater contributions for developing and building Hainan, as well as the four modernizations.

HENAN COMMENTATOR CALLS FOR CLEAR THINKING NOW

HK261111 Zhenzhou Henan Provincial Service in Mandarin 1030 GMT 25 Apr 85

[Station commentator's article: "It Is Necessary To Be Clear-Headed in the Excellent Situation"]

[Text] The situation in our province's economic development is, on the whole, very good. This is the result of reform of the urban and rural economic structure mobilizing the enthusiasm of all quarters. However, in the excellent situation, we must adhere to the principle of seeking truth from facts, keep a clear head, encourage genuine enthusiasm, and stress practical results. We must not encourage sham enthusiasm, exaggerate, or pay lip service. This is an important experience of our party in directing economic work over the past 30-odd years. In the current good situation, it is essential to review this historical experience.

Prior to the 3d Plenary Session of the 11th CPC Central Committee, economic construction in our country prospered one moment and declined the next. There were indeed many reasons, but one of the important reasons was that we could not constantly and clearly analyze the situation. When we encountered difficulties, our minds were relatively clear, but when the situation improved, we soon became dizzy with success. Why did we soon get dizzy with success when the situation was good? There were profound roots for this in society and understanding:

1. People's thinking usually possesses the characteristics of being prudent in a difficult situation and careless in an easy situation. For example, the driver of a car concentrates very hard and is exceptionally careful when the car enters a narrow road.

The car thus seldom overturns. However, when he passes the dangerous place and the car enters an ordinary road, he lowers his guard and becomes careless. An accident may easily occur.

2. Our province is poor and cadres and the masses urgently demand a change in its poor outlook and hope to get rich very soon. In a relatively good situation, people are apt to have the idea of seeking comfort and disregard objective conditions.

3. Small-scale production has predominated in our country over a long period of time. When the situation is good, people get dizzy with success. This is an expression of the outlook of the small producers.

We must now review historical experience because in a good situation, some places and enterprises have blindly pursued speedy increases. They have competed with each other and have not been reconciled to lagging behind. In such a situation, the defects of practicing fraud, pursuing formalism, and exaggeration have developed. If these ideas and practices are allowed to develop, it will be detrimental to the development of the national economy.

Maintaining clear thinking in the excellent situation mainly refers to its being imperative to clearly understand the problems existing in a good situation and to deal properly with these problems. Proceeding from realities, we must continue to adhere to the principle of doing what we are capable of, must vigorously and safely achieve the target of struggle put forward by the 12th party congress, must correctly assess the enthusiasm of the enterprises and the masses aroused in the course of reform of the economic structure, must strive to lead this enthusiasm onto the correct path, and must unswervingly push reform forward.

LIU JIE, OTHERS CELEBRATE MAY DAY IN HENAN

HK300701 Zhengzhou Henan Provincial Service in Mandarin 1030 GMT 29 Apr 85

[Excerpt] This morning, at the workers' cultural palace in the provincial capital a rally marking International Labor Day and 60th anniversary of the founding of the All-China Federation of Trade Unions, May 1 medals and certificates were presented to some of the province's model workers and outstanding personages.

The rally was attended by responsible comrades of the provincial and city party, government, and military organs, such as Liu Jie, Liu Zhengwei, He Zhukang, Zhao Di, Zhao Wenfu, Wang Huayun, Zhan Jingwu, Yao Xia, Hou Zhiying, Yao Minxue, Zhang Shude, Ma Ruihua, and Shao Wenjie.

Zhao Di, deputy secretary of the provincial CPC Committee; and Fu Shiping, chairman of the provincial Federation of Trade Unions, delivered speeches.

HUBEI PEOPLE'S CONGRESS SESSION CONCLUDES 28 APR

HK290217 Wuhan Hubei Provincial Service in Mandarin 1100 GMT 28 Apr 85

[Excerpt] The Third Session of the Sixth Hubei Provincial People's Congress concluded in Hongshan Hall, Wuchang, this morning after completing its agenda. The session called on the people of the province to seriously implement the decision of the 3d Plenary Session of the 12th CPC Central Committee and the spirit of the 3d Session of the 6th NPC, unify understanding and steps, unite as one, work in concert to carry out reforms of the entire economic structure with focus on the cities, consolidate and develop the excellent situation, and strive for still greater victory in socialist modernization in the province.

Present on the rostrum today were the members of the session Presidium; responsible comrades of the provincial CPC Committee, Advisory Commission, government, and CPPCC Guan Guangfu, Huang Zhizhen, Tian Ying, Wang Ruisheng, Liu Huinong, Li Erzhong, Guo Zhenqian, Wang Hanzhang, Wang Libin, Xie Wei, (Tao Yang), (Liu Jisun), Deng Ken, and Chen Ming; and leading comrades of Wuhan Military Region Zhou Shizhong and Yan Zheng.

HUBEI ARABLE LAND AREA DECREASING 'DRASTICALLY'

HK260328 Wuhan Hubei Provincial Service in Mandarin 1100 GMT 26 Apr 85

["Excerpts" from roundup by station reporter (Ji Zhongru): "Treasure Every Inch of Land for the Happiness of Our Posterity"]

[Excerpt] In recent years many localities in the province have blindly occupied excessive land and wantonly used arable land. The area of arable land in our province was decreased drastically. This has become a widespread and prominent problem.

According to statistics of relevant departments, from 1961 to 1982, the province's population increased by 750,000 people annually, but the arable land area in the province decreased by 40,000 mu annually. In the 22 years from 1961 to 1982, the arable land area in the province decreased by 8.76 million mu in total.

In the past 2 years, arable land area has decreased more seriously in the province. In 1983, arable land area in the province decreased by 432,400 mu as compared with the previous year. In 1984, the arable land area in the province decreased by 978,500 mu as compared with the previous year. In the 2 years, the arable land area in the province decreased by a total of 1.51 million [figure as heard] mu, equivalent to the entire arable land area in Jingmeng City.

GUAN GUANGFU ADDRESSES HUBEI ANTIFLOOD CONFERENCE

HK280241 Wuhan Hubei Provincial Service in Mandarin 1100 GMT 27 Apr 85

[Excerpts] A 5-day provincial antiflood work conference concluded in Wuchang today. Provincial CPC Committee Secretary Guan Guangfu delivered an important speech at the meeting. Governor Huang Zhizhen gave a summation.

The meeting held: Last winter the province got a good grasp of repairing and strengthening embankments, reservoirs, sluiceways, pumping stations, and other antiflood and drainage projects. Certain preparations have been made in antiflood materials and equipment. However, because the standard of antiflood projects in the province is on the low side, danger factors still exist in varying degrees. The problem of rivers being blocked by obstacles is also rather conspicuous. The meeting therefore stressed that the province must seize the chance before the flood season to carry out another major inspection of projects. It is necessary to get a thoroughly good grasp of antiflood work and ensure that the whole province gets safely through the flood season.

MAO ZHIYONG ATTENDS HUNAN 1 MAY LABOR DAY RALLY

HK301501 Changsha Hunan Provincial Service in Mandarin 1100 GMT 29 Apr 85

[Excerpts] The Hunan provincial rally to mark 1 May International Labor Day and the 60th anniversary of the founding of the All-China Federation of Trade Unions and to commend progressives was held in Changsha today. The provincial government conferred the title of model worker on 35 advanced figures. This morning the hall of the Hunan Military District was full of joy. The rally was held there. Some 1,000 trade union cadres and representatives of workers arrived very early. Leaders of the provincial CPC Committee, the provincial Advisory Committee, the provincial People's Congress, the provincial government, and the Hunan Military District, including Mao Zhiyong, Xiong Qingquan, Jiao Linyi, Liu Fusheng, Wang Zhiguo, Guo Sen, Ji Zhaoqing, Cao Wenju, Yu Haichao, Yang Difu, Xu Junhu, and Jiang Jinliu, were seated on the rostrum.

(Lei Dianchi), vice chairman of the provincial Federation of Trade Unions, presided over the rally. Liu Yu, chairman of the provincial Federation of Trade Unions, spoke at the rally. Vice Governor Yu Haichao read the decision of the provincial government on conferring the titles of provincial model workers. Entrusted by the All-China Federation of Trade Unions, (Chen Maozhi), vice chairman of the provincial Federation of Trade Unions, read the decision on presenting 1 May labor badges to the 35 persons; awarding them citations for merit, fourth class; and issuing them each 500 yuan.

Amid thunderous applause, the principal leading comrades of the provincial CPC Committee, the provincial Advisory Committee, the provincial People's Congress, the provincial government, and the provincial CPPCC Committee presented 1 May labor badges to the advanced figures. Xiong Qingquan, secretary of the provincial CPC Committee, spoke at the rally.

HUNAN DISCIPLINE OFFICIAL ON CURBING MALPRACTICES

HK270217 Changsha Hunan Provincial Service in Mandarin 2300 GMT 26 Apr 85

[Text] On the morning of 26 April Shi Xinshan, member of the Standing Committee of the provincial CPC Committee and secretary of the provincial Discipline Inspection Commission, said at a provincial meeting of secretaries of prefectural and city discipline inspection commissions: The province must continue to get a good grasp of correcting new unhealthy trends, with the focus on solving problems at the above-county level and among the provincial leading organs and leading cadres. It is essential to strengthen the party spirit of party members, step up discipline, and ensure the smooth progress of reform.

Shi Xinshan first said: As a result of efforts in the previous period, use of public funds, issuance of clothing, excessive and random payment of bonuses in cash and in kind, use of powers by party and government organs and party member cadres to run businesses, bonus awards for sales, random sales of lottery tickets, and so on have been basically curbed. Other unhealthy trends have also declined to some extent. However, we must not overestimate achievements in the previous period. Some comrades lack sufficient understanding of the true nature of the new unhealthy trends and of the grave harm they do. They look around and hesitate, and even devise countermeasures to party policies, adopting an attitude of just going through the motions.

We must therefore further strengthen leadership, unify thinking, adopt effective measures and strictly enforce orders and prohibitions.

Shi Xinshan stressed: The focus in correcting new unhealthy trends should be on solving problems at and above county-level and especially among the provincial leading organs and leading cadres. The provincial CPC Committee has demanded that all provincial departments and bureaus, the leading organs of prefectures, cities, and counties, and large enterprises and other units deal very seriously with this problem.

Shi Xinshan said in conclusion: We must regard opposing and correcting the new unhealthy trends as an important content of education in party spirit. At present we must concentrate on providing party members education in serving the people wholeheartedly.

SICHUAN RIBAO URGES CORRECTING MALPRACTICES

HK011319 Chengdu Sichuan Provincial Service in Mandarin 0030 GMT 30 Apr 85

["Excerpts" from SICHUAN RIBAO commentator's article: "Malpractices Must Be Corrected and Reforms Must Be Carried Out Properly"]

[Text] As a result of repeated injunctions issued by the central leadership, the new malpractice of some people taking advantage of the reforms to gain illicit money has begun to be corrected. In some places, the malpractice has basically been halted. This is a very good trend. Party organizations and government at all levels must make the best use of the situation, draw a distinction between mistakes in reforms for lack of experience and new malpractices, and solve new problems with a truth-seeking attitude.

The article pointed out that those comrades who made mistakes in reform through lack of experience should not be harshly blamed. They should not lose their confidence in carrying out reforms because of this. But what is different is that some party members and cadres, under the pretext of carrying out reforms, enlivening the domestic economy, and opening up to the outside world, have violated laws and discipline, practiced fraud, and obtained illicit money. Facts have shown us clearly that they are not carrying out, but sabotaging, reforms and that they are not enlivening the economy, but disrupting it.

The above two cases are totally different. We must draw a clear demarcation line between them. In the first case, we must encourage people to explore and allow people to make mistakes. The important thing is we must skillfully sum up experiences and draw lessons to make improvements and correct the mistakes while continuing reforms. In the second case, it is necessary to enforce orders and prohibitions. All of the malpractices must first be halted and then dealt with seriously according to different situations. Only by doing so, can we not only correct malpractices, but also protect the enthusiasm of the cadres and masses in carrying out reforms so as to ensure and promote smooth progress.

Malpractices must be halted resolutely and reforms must be carried out as usual. These are the two major problems we are now facing.

KUNMING PLA CELEBRATES CHANGE TO NEW UNIFORMS

HK020137 Kunming Yunnan Provincial Service in Mandarin 1100 GMT 1 May 85

[Excerpt] The units of Kunming Military Region held parades and marchpasts in their barrack areas today, as the whole Army is changing to new-style uniforms. Leading comrades of the military region Zhang Zhixiu and Xie Zhenhua attended parades. Commanders and fighters marched proudly in their new uniforms, displaying the Army's fine and impressive appearance and bearing.

At 0900, Kunming Military Region Commander Zhang Zhixiu, Deputy Commanders Huang Demao and Chen Jiagui, and Deputy Political Commissar Liu Yantian arrived at the Kunming Army School to review a parade. The cadets proudly marched past the reviewing stand.

A certain border defense unit which gained merits in the battle to recover Laoshan also held a parade today. This heroic unit was reviewed by Zhang Jinghua, chief of staff of the military region, and other leading comrades.

HEBEI PREFECTURE NEGATES CULTURAL REVOLUTION

HK020501 Shijiazhuang HEBEI RIBAO in Chinese 21 Apr 85 p 1

[Report by Chai Guomu, Qi Tiecheng, and Li Zhenhai: "The Baoding Prefectural CPC Committee Presses on With Negation of the 'Cultural Revolution' as a Step Toward In-Depth Party Rectification"]

[Text] In the course of rectification of party and government organizations, the Baoding Prefectural CPC Committee has carried out education on the thorough negation of the "Cultural Revolution" according to the actual situation. It has tried to eliminate the pernicious influence of the "Cultural Revolution" and solved some problems in a practical manner. It has already achieved great success in the field.

Baoding suffered a lot during the "Cultural Revolution." So, at the beginning of the party rectification, the Baoding Prefectural CPC Committee believed that Baoding was deeply influenced by "leftist" ideology, the two factions had opposed each other for a long time, and the two factions had been in power one after another several times, so there was serious antagonism between them. Moreover, in the first 2 years after smashing the "gang of four," Baoding solved its own problems on the premise of affirming the "Cultural Revolution," thus magnifying the contradictions, leaving many problems unsolved, and making things more complicated. So this time the Baoding Prefectural CPC Committee is determined to carry out education on the negation of the "Cultural Revolution" throughout the party rectification. The Baoding Prefectural CPC Committee has called on the broad masses of party members and cadres to list the serious damages Baoding suffered during the "Cultural Revolution" so as to thoroughly negate the theory and practice of the "Cultural Revolution," unify the different opinions on the long-disputed "three periods of time," thoroughly negate the two factions, unify the ideology, and eliminate the long-term ideological barriers.

In order to further carry out education on negating the "Cultural Revolution", the Baoding Prefectural CPC Committee has taken practical steps to eliminate the pernicious influence of the "Cultural Revolution" which is harmful to its present work. The Baoding Prefectural CPC Committee and Administrative Office have taken the lead in analyzing the present situation in the leading bodies and various departments of the Baoding Prefectural CPC Committee and Administrative Office and have listed the 10 main manifestations of the pernicious influence of the "Cultural Revolution":

1. Factionalism overrides party spirit. People who belonged to the same faction during the "Cultural Revolution" support and help each other; people who belonged to different factions during the "Cultural Revolution" work together seemingly in harmony but actually at variance or even treat each other like enemies.
2. To appoint people by favoritism. People who belonged to the same faction during the "Cultural Revolution" cover up each other's faults and publicize each other's merits and take the ugly as the beautiful; people who belonged to different factions during the "Cultural Revolution" ignore each other's merits and publicize each other's faults, create all sorts of obstacles for each other, and even frame each other and create new unredressed injustices.
3. To practise "big democracy" whenever something happens or make trouble in the government organs by appealing to higher authorities for help or pick a quarrel with leaders by asking them to solve some problems. Some people still believe the saying that "large-scale disorder brings about large-scale settlement, small-scale disorder brings about small-scale settlement, and no disorder brings about no settlement" is a miraculous cure.

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4. Serious anarchism and liberalism. Some people still make irresponsible remarks and take irresponsible actions and even regard discipline and regulations as a trifling matter.
5. Imperious high-handed style of work. Some people completely turn a deaf ear to the opinions of people of the same rank and stamp with fury at the masses' criticism.
6. To form factions. Some people keep silent at the meeting, but make irresponsible remarks after the meeting and regard themselves as agents of a faction.
7. To be slick and sly. Some people have consciously or unconsciously become the "people of three categories" and have become shields protecting criminals.
8. To continue to adhere to the rebellious spirit. Some people seem to obey, but actually disobey the orders of the leaders whose views are different from theirs, even spread rumors and slanders and still believe in the idea that "opposing the authorities is the general orientation."
9. To spread rumors, especially when transferring personnel to other posts. Some people still practice the "policy of cleaning excrement" [sweeping away members of other factions] which was implemented during the "Cultural Revolution" and the method of "spending half a year to investigate the source of eight fen," [i.e., 8-fen stamp; exhaustively investigating a single trivial matter] thus disturbing the normal investigation work of the party organizations.
10. To be flashy and without substance, "make false, big, and empty talk," make false reports on their achievements, and falsely claim honors as their own. Some people only try to get into higher posts without caring about the course of the party and so on and so forth.

In order to solve the above problems, the Baoding Prefectural CPC Committee and Administrative Office have taken several measures to strengthen the building of the leading bodies. As a result, the broad masses of party members have acquired a better understanding so that the pernicious influence of the "Cultural Revolution" has lost its hiding-place.

After eliminating the pernicious influence of the "Cultural Revolution," the Baoding Prefectural CPC Committee has demanded that all party members should dare to face facts and negate themselves. Leaders at various levels should take the lead in negating their own wrong remarks and actions during the "Cultural Revolution" so as to raise their consciousness. After dissecting themselves, some party members have cast aside the theory: "It is always right to follow the line" and have come to understand that it was absolutely wrong to regard superstition as science and regard "leftist" as correct. Thus they have come to know that the more closely they followed the line, the more serious their mistakes. After raising their consciousness, some comrades apologized to the comrades whom they had hurt in the past. Some comrades who were criticized and denounced or who even lived in "cowsheds" during the "Cultural Revolution" at the beginning thought that they had done nothing wrong, thus having nothing to negate. After study, they have come to know that they still have "leftist" influence in their minds and because they were oppressed does not necessarily mean that they have been always right. The comrades who took part in the "three supports and two military's" originally thought that they "were ordered to help the left," thus having done nothing wrong. Now they have come to understand that "helping the left" was actually helping factionalism. By vigorously carrying out education on negation of the "Cultural Revolution," the Baoding Prefectural CPC Committee and Administrative Office have stepped up party rectification work, and at the same time have pushed forward the economic work.

COMMENTARY NOTES PLA ROLE IN PRC POWER STRUCTURE

OW041240 Taipei International Service in English 0100 GMT 3 May 85

[Station commentary]

[Text] General Secretary of the Chinese Communist Party Hu Yao-pang said several days ago that Peiping will retire 1 million of its 4 million Armed Forces by the end of next year. It is not clear why the announcement was not made by Peiping's Premier Chao Tzu-yang. As chief executive, Chao is supposed to have jurisdiction over such a decision. By making the troop retrenchment announcement while on a tour of the South Pacific nations, Hu probably has to score a propaganda point. Or he could be trying to create the impression that he was the real boss. Whatever the reason behind Hu's revelation at this juncture is not difficult to see why the Peiping regime plans to make such a huge cut of its military establishment.

Although large in size, the Chinese Armed Forces are backward in every way. Not only is the Red Army poorly equipped and inadequately trained in modern warfare, it is also poorly led. Its top commanders are mostly semi-illiterate men of peasant background. Their strategic and tactical thinking does not go beyond guerrilla warfare and human-wave tactics. The only way to turn this backward Army into fighting shape is to trim its size so as to get rid of the deadwood and update its equipment. By retiring nearly one-fourth of the Red Army Peiping will be able to save a considerable amount of money for modernization of weapons and equipment.

However, troop reduction on such a magnitude is a double-edged sword that cuts both ways. One thing Peiping has to work out before the retrenchment begins is to find jobs for the officers and soldiers to be retired. Job vacancies in Red China are few, and they will become fewer as demand for greater efficiency is stressed under the regime's economic restructuring. There are already many millions of youths waiting for employment. The addition of 1 million retired servicemen will make the matter worse. The retrenchment plan will also sharpen the military's resentment against Teng Hsiao-ping and his allies. Even if the Tengs are able to prevent an open rebellion, they will not be able to stop sabotage by the disgruntled military cadres and prevent further deterioration of the Red Army.

As chairman of the Military Affairs Commissions of the party and the government, Teng is theoretically the commander in chief of the Chinese Communist Armed Forces. However, one is not sure whether he has absolute control over the gun. A telltale indication of Teng's shaky control over the Red Army is that the party's decision to restore military ranks has yet to be implemented over half a year after it was reached. His death will certainly lead to serious military challenge to a smooth power transfer to Hu and Chao.

MAINLAND AIR FORCE TAKES ANTIDEFECTION MEASURES

OW061121 Taipei CNA in English 1016 GMT 6 May 85

[Text] Taipei, May 6 (CNA) -- The Communist Chinese Air Force is taking stricter measures to prevent its personnel from fleeing to freedom, intelligence reports from the China mainland say. Since three Communist Chinese pilots sought freedom in the Republic of China in the last two years, the reports say, the Red Air Force has set up more radar stations in the areas where defections are likely to happen and has put all training flights under radar screening. It has reduced aircraft fuel loads and ordered pilots to intercept or shoot down runaway planes during the training flights.

The reports say that the communist authority has also authorized naval fleets and garrison troops in the coastal areas to shoot down any escaping aircraft. The reports say that the Red Air Force also has tightened ideological control over its pilots.

HONG KONG INSTRUMENT EXCHANGE BY END OF MAY

HK031400 Hong Kong HSIN WAN PAO in Chinese 3 May 85 p 1

["New Talk" column: "From the Initialing of the Agreement to the Exchange of the Instruments of Ratification"]

[Text] Ji Pengfei, head of the Hong Kong and Macao Office under the State Council, said that China and Britain will exchange the instruments of ratification of the joint declaration on the question of Hong Kong in Beijing at the end of May and, at the same time, set up the Sino-British joint liaison group.

Earlier, the date for the exchange of the instruments of ratification was reportedly set for late May but official sources put it "before the end of June." The official sources have now officially announced that it is to take place at the end of May. Ji Pengfei disclosed this for the first time during a meeting with a Hong Kong and Macao delegation yesterday.

This means that in less than a month China and Britain will exchange the instruments of ratification, that the Sino-British joint declaration on the question of Hong Kong will go into effect, that Hong Kong will enter a transitional period, and that all things should be handled according to the principles laid down in the Sino-British joint declaration.

Recently, there have been many rumors about the setting up of the joint liaison group and its composition, such as that Ke Kaishuo and David Wilson will be leaders of the Chinese and British sides and that Eric Ho, currently secretary of trade and industry of the Hong Kong government, has been issued a passport in order to qualify him as a member of the liaison group. Although these are only rumors, it is believed that they are quite close to the fact. In truth, before the joint liaison group is officially set up, both China and Britain will probably not make public the relevant news. On the other hand, matters relating to the joint liaison group must also be completed before China and Britain exchange the instruments of ratification. Otherwise, the date for the exchange of the instruments of ratification will be delayed.

When meeting the Hong Kong and Macao workers' delegation in Beijing yesterday, Ji Pengfei also reaffirmed some principles on the question of Hong Kong: 1) people from Hong Kong will certainly join the basic law drafting committee but there will not be very many of them; 2) the basic law drafting committee will extensively solicit the views of the Hong Kong people; and 3) during the transitional period, Hong Kong will still be administered by the British Government. China will not interfere in Hong Kong's affairs and therefore it will not comment on the representative government currently in effect in Hong Kong. Even in the 50 years after 1997, Hong Kong will still be governed by the Hong Kong people themselves.

It has been made clear that China will not interfere in Hong Kong's affairs in the 12-year transitional period. It has also been made clear that Hong Kong will be governed by the Hong Kong people after Hong Kong has been smoothly transferred. By that time, the central government will generally avoid as far as possible interfering in Hong Kong's internal affairs. The representatives of the seven independent trade unions and organizations attending the "1 May" Labor Day celebrations in Beijing expressed the hope that the workers organizations, including the civil servants' organization, will still exist after 1997. It is believed that measured according to the above-mentioned principles, this hope can be realized. Some time ago, some noted figures also estimated that it would be impossible for Hong Kong to remain unchanged 12 years later but the changes would not be too great. Such an estimate is seemingly still appropriate.

China and Britain initialed the joint declaration on 26 September last year; Zhao Ziyang and Mrs Thatcher officially signed the joint declaration on 19 December last year. In the 8 months from the initialing to the exchange of the instruments of ratification at the end of this month, smooth progress has obviously been made on the various issues between China and Britain and people have strengthened their confidence day by day. It is believed that people will also accept this change, the entry of Hong Kong into the transitional period, with pleasure.

INSURANCE BROKER FOR DAYA BAY NUCLEAR PLANT

HK050550 Hong Kong SOUTH CHINA MORNING POST in English 5 May 85 Sunday Business Supplement p 1

[Text] The Sedgwick Group, the largest contributor of premium income in the London insurance market, has been appointed as the leading insurance broker for the Daya Bay nuclear power plant. Sedgwick also will act as an adviser on the project for the People's Insurance Co. of China. It is the only insurance broker with permanent representation in China and already has undertaken significant work with the People's Insurance Co on the Daya Bay project. In Hong Kong it is represented by a joint venture with the Standard Chartered Bank known as Sedgwick Chartered Hong Kong.

Senior personnel from Sedgwick Construction Services and Sedgwick Power and Nuclear Services have made several extended visits to Peking. The Daya Bay project was one of the topics discussed by John Swinglehurst, a senior director of the group, with the Chinese authorities while on a British trade mission led by Lord Young several weeks ago.

Commenting on the Daya Bay appointment, Mr C.M. Mosselmans, chairman of the group, said: "I am delighted. This important development is not only another significant milestone in our long relationship with the People's Insurance Co but also one which contributes directly to the welcome growth in trade between China and Britain."

Sedgwick assists in organising many types of reinsurance for the People's Insurance Co. This has included the Chinese offshore oil exploration programme.

It has been involved in training programmes for insurance trainees from China for the past five years. Much of this training has been directed towards the insurance of nuclear construction and operation risks.

The Sedgwick Group in 1984 had gross premium income of pound 3.1 billion. Only last month it was involved in the pound 540 million takeover of the U.S. insurance broker Fred S. James & Co. The enlarged group is expected to have total worldwide revenues this year of pound 600 million. Operating profits in 1984 were pound 85.5 million.

The \$27 billion Daya Bay project is a joint venture between Chinese and Hong Kong interests. It will be built by the Guangdong Nuclear Power Joint Venture Co in which Hong Kong Nuclear Investment Co has a 25 percent. Equipment for the nuclear power generating station will be supplied by Britain and France.

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